

SEPTEMBER 16, 1960

PART 1 OF TWO PARTS

50¢

Business Management

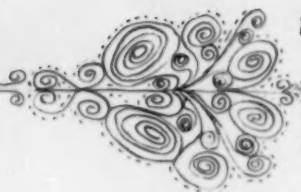
THE MAGAZINE OF



Page 35

9 Hot Potato Problems in Mergers

Why Not Build a Supermap? Dow Did



Somewhere
west of
Madison
Avenue

Somewhere west of Madison Avenue there's a household-running, family-raising girl who can tell you all about The Ladies' Home Journal.

The truth is, the Journal is edited for her. When the Journal speaks, she listens.

It's written to her. Intelligently, out of respect for her intelligence. Directly, because she has no time for indirection. Helpfully, because with kids in her arms and on her back and under her feet and rarely off her mind, she can use help.

It's made for her. Paced for the girl who can't stand pat. Tailored for the girl who can't stand fat -- especially in a magazine. (But fashioned, gratefully, for the girl with a little meat on her bones, who appreciates same in her reading.)

She may have an eye for the Guggenheim -- but she can shop the grocery store blindfolded. She may have a taste for good art-- but she devours good advertising. She and her family wear out more clothes and take out more insurance and pick out more furniture and try out more cereals and shell out more money than almost anyone else you can think of.

In her house, it's the woman who pays -- and pays and pays and pays. She's got the wherewithal (Journal readers are richer.) She'll find plenty to do with it (Journal readers are younger -- and more acquisitive.)

Somewhere west of Madison Avenue, there are 6,300,000-plus of her. On the mainland. In the mainstream. Where, when you're in the *Journal* you're really in.



A CURTIS MAGAZINE

When the Journal speaks--women listen

the slipsheet

For issue of Sept. 16, 1960

an informal "f.y.i." before you read the issue

Have you ever been invited to subscribe to Sales Management magazine? Probably not, if you labor in the agency or media vineyards. Are we being snobbish? No. Do we have media and agency subscribers? Yes. But we don't actively solicit their subscriptions. Reason: Sales Management is edited for the clients of media and advertising agencies.

So, if you're in the media business, or the agency field, remember that Sales Management is for your customers, not for you.

Here, for example, is a random sample of executives who do subscribe (at \$10.00 yearly) to the magazine. In fact, we're showing the titles and company affiliations of executives who were among the first to subscribe or renew in the first few days of last month. How many of them are your customers? Or should be? Or could be?

FORD MOTOR CO.
Vice-President, Lincoln-Mercury

VOLVO IMPORT, Inc.
General Manager

GENERAL MOTORS CORP.
General Sales Manager, Chevrolet
Sales Manager, Delco-Remy Div.

CHRYSLER CORP.
Director of Administration

NORTHWEST AIRLINES, INC.
Director Passenger Sales

CONTINENTAL AIRLINES, INC.
Vice-President, Sales

STUDEBAKER-PACKARD CORP.
Asst. General Sales Manager

BELL & HOWELL CO.
Vice-President, Marketing

CHAMPION SPARK PLUG CO.
President

GENERAL FOODS CORP.
Nat'l Sales Manager, Jell-O Div.

PARK & TILFORD DISTILLERS CO.
Executive Vice President

PET MILK COMPANY
Vice-President, Marketing

THE HERTZ CORP.
General Sales Manager--Car Leasing

WESTINGHOUSE ELECTRIC CORP.
Sales Manager, Lamp Div.

MINNESOTA MINING & M'FG. CO.
General Sales Manager

BENJAMIN MOORE & CO.
Vice President, Sales

SHWADER BROS., INC.
General Sales Manager

HOTPOINT CO.
Marketing Manager, Refrig.

CARNATION CO.
General Sales Manager

MORTON SALT CO.
General Sales Manager

GENERAL ELECTRIC CO.
Sales Manager--Home Laundry

DUNLOP TIRE & RUBBER CORP.
Sales Manager

NESTLE COMPANY, INC.
Sales Manager

WILSON SPORTING GOODS CO.
Vice-President, Sales

...and many, many more.

The Publishers

Sales Management

THE MAGAZINE OF MARKETING

630 THIRD AVENUE • NEW YORK 17, NEW YORK

YUWON 8-4800

"the slipsheet" is included only in complimentary copies.

Have you ever been invited to subscribe to Sales Management magazine? Probably not. If you have, the agency or media planner. Are we being snobbish? No. In us have been the agency's responsibility. But we can't actively solicit their subscriptions. Because Sales Management is called for the clients of media and advertising agencies.

So, if you're in the media business, or the agency field, remember that Sales Management is for your customers, not for you.

Here, for example, is a random sample of executives who in 1959 (at \$10.00 yearly) to the magazine. In 1960, we're making the offer and company affiliations of executives who were among the first subscribers or renewals in the first two days of last month. How many of them are your competitors? Or should be?

WILLIAMSON, J. W. - Vice President, Hamilton-Brown
General Sales Manager - for leasing

WILCOX, J. W. - General Manager
Sales Manager, East Div.

WILSON, J. W. - General Sales Manager
General Sales Manager

WILSON, J. W. - General Sales Manager
General Sales Manager

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General Sales Manager

WILSON, J. W. - General Sales Manager
General Sales Manager

The Publishers

Sales Management

"The Alignment" is published only in correspondence columns

The only reference with more important
names is **WHO'S WHO**



- 1** The Directory of Manufacturers pinpoints the **exact** **WHAT** that hardware men are interested in.
- 2** Your free identification listing puts your **NAME** at the finger tips of buyers who want the products you make.
- 3** Your Classified Ad, placed immediately beneath your free listing, will pinpoint buyer attention on **your** products. Will tell buyers on the spot that you have what they want.

So give your hardware products top sales impact in the *Directory of Manufacturers*, Volume 1, *Hardware Retailer CATALOG SERVICE* with a classified ad.

Take FULL advantage of this effective marketing service by getting your catalog sheets permanently bound into departmentalized **CATALOG SERVICE** volumes. In alphabetical order for your specific product. Conveniently on hand every time a buying decision is made. Send for your copy of this valuable **CATALOG SERVICE Fact File** today.

HARDWARE RETAILER CATALOG SERVICE

Hardware Retailer, CATALOG SERVICE
964 N. Pennsylvania Street
Indianapolis 4, Indiana
Gentlemen: Please send me _____ copies
of your Catalog Service Fact File, S.A.P.



Name _____
Title _____
Firm _____
Address _____
City _____ () State _____



RE: A GOSSAMER INTANGIBLE

Beneath the beat, beat, beat of the tom-toms lurks the haunting suspicion there must be a far better way to communicate about such a gossamer intangible as *editorial quality*.

It's great. We have it. But what is it?

We think it's what people pay for when they subscribe to a publication. And, like most diaphanous things, it can be measured, if not described.

We think the best measurement of any businesspaper's editorial quality is the number of readers who *pay* to read it. This means they value it, want it. It has that vital intangible called quality. Quality enough to move people to buy it. Quality enough to surround your advertising with reader interest. Quality enough to complement its appeal with the appeal of sound, wanted editorial. Quality enough to deliver a live, interested, paid audience. Just the right quality, in short, for the particular reader who reads it—and the advertiser who wants to reach him.

To find it in a businesspaper, look for the ABP symbol. It is, uniquely, the symbol of that gossamer, diaphanous, tremendously vital and elusive intangible known as quality. And most often, you'll find, it has bred the *quantity* your advertising needs.



The plus value of paid circulation is "wantedness"

Sales Management

THE MAGAZINE OF MARKETING

September 16, 1960

CONTENTS

Vol. 85, No. 8

PART 1 OF TWO PARTS

Advertising	
They'll Slice Radio Differently this Fall	118
Distribution	
An End to 'Headless' Distribution	17
General Management	
9 Hot Potato Problems in Mergers	143
Leadership	
Molders' Molder Helps Customers to Shape and Sell (Foster Grant Co.)	56
Marketing Strategy	
The 'Secret' Hand in Private Brands	35
Markets	
Are You Overlooking an \$18-Billion Food Market?	69
New Product Introduction	
St. Regis 'Goes Consumer'	113
Why Not 'Rent' Salesmen? Dow Did!	79
Personal	
Where Do Sales Execs Get Their Ideas?	95
Sales Aids	
Make Your Sales Aids Come Alive	89
Sales Forecasting	
Lighting Up the Blind Spot in Sales Forecasting (Carolina Mills)	129
Sales Management	
How Data Processing Helps Raytheon Boost Sales	62
Lipton Revamps Field Sales Structure	42
Sales Promotion	
Studebaker's Lark-A-Thon: Hoopla, Prizes and Sales	40
Sales Strategy	
Vanity: The Foot in the Door for American Photocopy Salesmen	92
Sales Training	
Let's Get Sales Training Back into This World	105

HIGHLIGHTS

PRIVATE LINKS OF SOME BIG PUBLIC RIVALS

A look at their \$2.5-billion advertising activities might suggest that the top 100 national advertisers were out to kill private-brand rivals—but look again, at the familiar names behind many of those private-branded products. . . .

Page 35

'RENTED' SALESMEN STAGE 15-DAY BLITZ

Everything was lined up when Dow took the wraps off its secret new product—except the dealers who would handle it. So the company rented 236 temporary salesmen, set the scene in 15 days.

Page 79

SALES REPORTS BY MACHINE

Now that Raytheon's marketing department has discovered data processing for its sales reports, a complete sales picture, with much information not hitherto feasible to tabulate, is readily available. Salesmen, freed of statistical labors, concentrate on selling.

Page 62

PACKAGING ROUNDUP

To aid the marketer in his use of packaging and product design as a marketing tool, SM has launched a new department to appear from time to time (page 123 this issue) covering the latest trends in these rapidly moving areas. . . . As a special packaging report the Oct. 21 issue will carry the first part of a 3-part survey of consumer likes and dislikes in today's grocery packages. Parts II and III will follow in Nov. 4 and Nov. 18 issues.

DEPARTMENTS AND SERVICES

Advertisers' Index	159	Marketing on the Move	22
Dynamarketer	56	Scratch Pad	160
Executive Shifts	158	Significant Trends	17
From the Editor's Side Pocket	7	They're in the News	32
Human Side	12	Trends in Packaging	123
Letters	29	Worth Writing for	100
Marketing Newsletter	51		

when it's a case
of going places...
in style!



it's a
Tufide
Tra-Valise



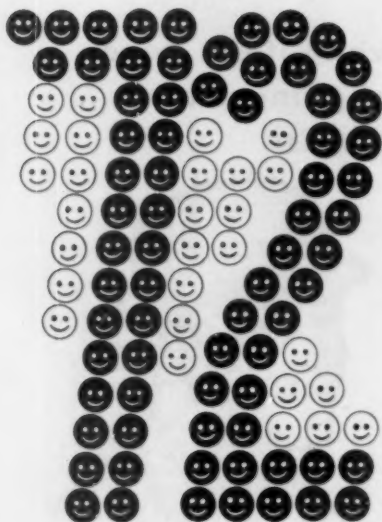
No matter how many thousands of miles you "log" each year, this molded, slim, beautifully contoured case will always do you proud. TUFIDE "Tra-Valise" is virtually indestructible, always looks smart, neat, new, business-like, thanks to Stebco patented features. It's lightweight, easy to handle and carry . . . holds business papers plus change of clothing . . . is dust and moisture proof. Also available with modifications for your specific needs.

Important feature: the one-piece aluminum frame with the patented "Handle-Lock" . . . locks open and closes instantly, securely, with a single touch.

See "Tra-Valise" at your favorite store
or write

STEBCO PRODUCTS
Chicago 7, Ill.

Custom Cases, too, especially designed
with your business in mind



out of every
100 families
own their own
homes in
**REMARKABLE
ROCKFORD**

Little wonder it's called *Remarkable Rockford!* With paramount interest in owning their own homes, it's not surprising so many Rockford industries are "home-grown." And with money to spend and to invest it's understandable how Remarkable Rockford's retail sales lead the state, outside Chicago. Get your full share. Advertise in the...

ROCKFORD MORNING STAR
Rockford Register-Republic
Finest **FULL COLOR** Facilities

Sales Management

Executive Offices: 630 Third Ave., New York 17, N. Y., YUkon 6-4800

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U. S. and Canada \$10 a year • Foreign \$15

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Offices and personnel listed in Advertisers' Index.

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Bureau
of
Circulations



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Business
Publications



National
Business
Publications



Magazine
Publishers
Association

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Copyright, Sales Management, Inc., 1960



Among the nation's 20 largest markets Milwaukee ranks sixth in food store sales per family

THE SELLING'S FINE IN MILWAUKEE! With net personal income averaging \$50,000,000 weekly, Milwaukee has quite a spendable attitude. The food bill alone amounts to more than \$7,600,000 each week.

With coverage of 9 out of 10 homes, The Milwaukee Journal exerts strong influence over the big spending of Metro Milwaukee's 1,189,000 people. Milwaukee retail grocers know the selling power and economy of this saturation, one-paper coverage . . . concentrate 90% of their advertising dollars in The Milwaukee Journal.

MEMBER OF MILLION MARKET NEWSPAPERS, INC. — Offices: New York, 529 Fifth Avenue; Chicago, 333 N. Michigan Blvd.; Detroit; Los Angeles; San Francisco.

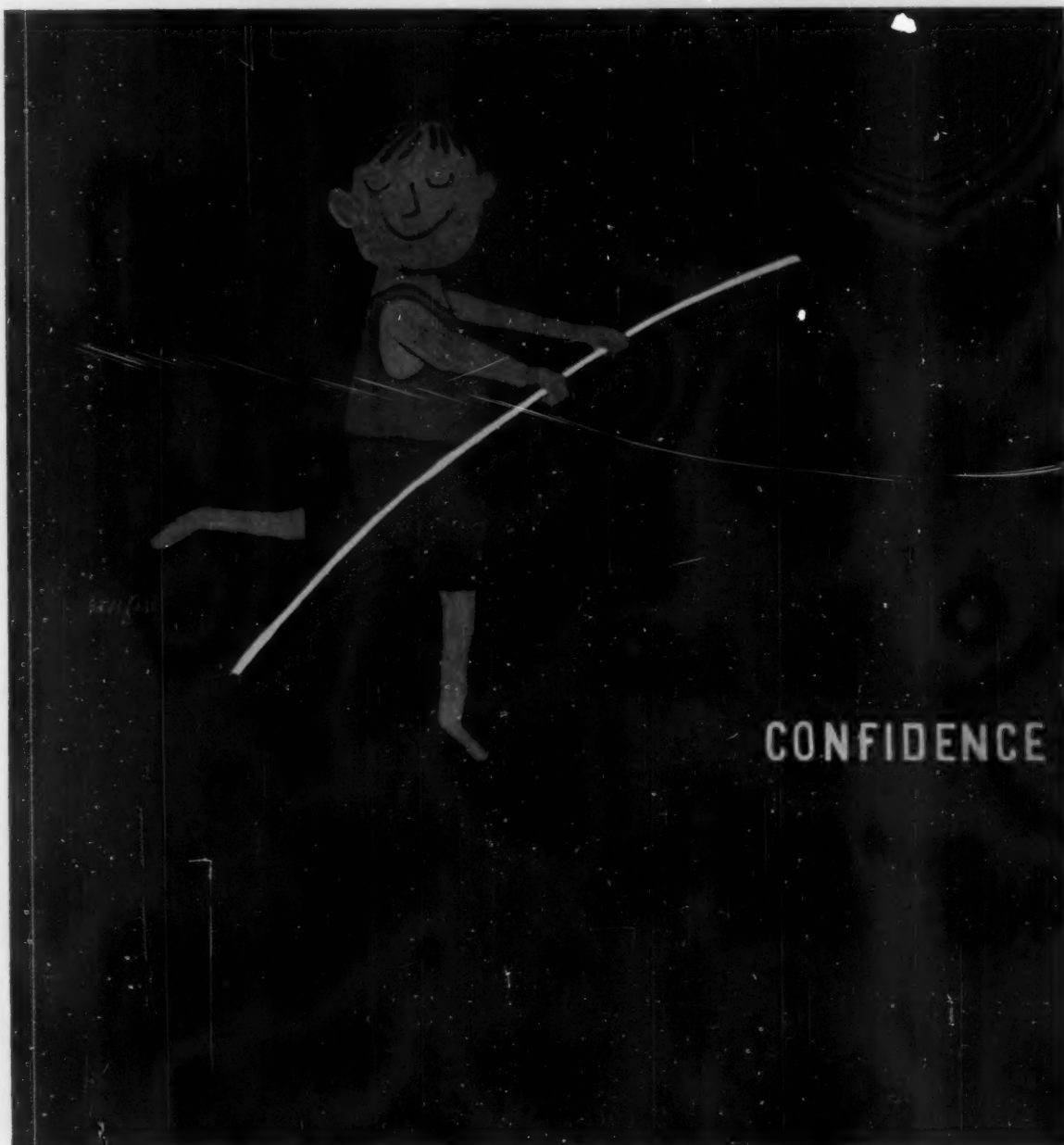
ANY WAY YOU LOOK AT IT— MILWAUKEE IS A TOP TEN MARKET

Median income per family	5th
% of families with incomes over \$7,000 . . .	6th
Median value of single dwelling units . . .	4th
Retail store sales per family*	2nd
Automotive sales per family	5th
General merchandising store sales per family	5th
Eating-drinking place sales per family . . .	2nd

*Excluding mail orders and other nonstore sales

with coverage of 9 out of 10 families . . .

THE MILWAUKEE JOURNAL DELIVERS THE GOODS IN MILLION MARKET MILWAUKEE!



The confidence the people of Greater Philadelphia have in the contents of The Evening and Sunday Bulletin is based on years of close association.

Readers look to this newspaper for more than news and features. They find here the full picture of their community life. In a good many respects, The Bulletin is Philadelphia.

What does this mean to advertisers? It means that, in the growing seven billion dollar Greater Philadelphia market, your sales message in The Evening and Sunday Bulletin enjoys a unique and extra "bonus"...

You buy belief when you buy The Bulletin!

THE PHILADELPHIA BULLETIN A member of **MILLION MARKET NEWSPAPERS, INC.** Advertising Offices:
 New York 17, 529 Fifth Ave.; Chicago 1, 333 N. Michigan Blvd.; Detroit 2, New Center Bldg.; Los Angeles 5, 3540 Wilshire Blvd.;
 San Francisco 4, 111 Sutter St. **IN PHILADELPHIA NEARLY EVERYBODY READS THE BULLETIN**

Throwing Money Down a Well

Our readers are wonderful. They expect us to know everything. To wit: The morning mail brought a letter which quoted from an item in Executive Digest magazine. The item said that a billion dollars was a lot of money. In fact, if you stood at the edge of a well and dropped in a silver dollar every second of every hour, without stopping day or night, it would take you 32 years to drop in a billion dollars.

Our correspondent asks: "How big a well would you need to hold a billion dollars?" Of course, we held an editorial conference on the query. It ran right through lunch, too.

"To find how big a well is needed," we wrote our subscriber, "first find a teaspoon that will hold a volume of dirt that is exactly the same as the volume of a silver dollar. Then, grasping the spoon firmly, scoop up one billion teaspoonfuls of dirt. You will then find yourself in a hole that is precisely the size needed to contain one billion silver dollars!" . . . Next question, please.

Sales Executives Among the Poorest Salesmen

When they are trying to sell their own services, sales execs rate low in ability in the initial stages of the campaign. That's the considered opinion of Hank Astwood, who directs the job service activities of the Sales Executives Club of New York. Recently he has examined 1,300 résumés on file from sales execs who are job hunting, and "90% don't have five cents' worth to sell."

Many of the jobless execs are out in the cold now, not through incompetence but because of mergers and other corporate reorganizations. Looking for a job was about the last thing they expected—then BOOM—and their services are no longer required. First they tend to wait for jobs to come to them—with a little discreet pushing from their friends. When that doesn't work, they go to a counselor or executive placement agency and admit they're available, at an asking price usually above their former peak. But buyers of executive talent these days enjoy an embarrassment of riches, with so many applicants, and soon the job seeker becomes panicky because the only offers he gets are for less than he had been earning. One of the most frequently repeated mistakes, according to experts, is to depend upon a résumé that concentrates on what the man *has* done. Most employers are interested only in what he *can* do—for *them*. Job seekers should face up to the fact that their problem is much the same as marketing a new and unknown product and that they must make the buyer want the "new product" more than he wants his dollars.

It might be prudent for all of us who are employees rather than owners to examine ourselves periodically and ask the question, "What would I do if I lost my job today? What would be my best markets? What would be my best talking points?"

Corn and the Coonskin Cap

Eugene Whitmore, who spent many years as an editor of SM in its early days, and is now a successful free-lance writer of articles and books, is as burned up about Estes Kefauver as I hope you were after reading our July 16 feature. But Gene *did* something about it. He wrote to the Yale graduate in the coonskin cap and asked him bluntly why he assailed business with such apparent glee.

"You [Kefauver] take the price of the crude drug from which aspirin is made—take the price by the barrel, then compare it with the price charged after it has been packaged in 15¢ units, with the

How you can
"prospect" for
new markets
and still
sell
current
ones.



... it's as easy and productive as panning in Fort Knox! Put your product story before the readers of **INDUSTRIAL EQUIPMENT NEWS**. There are nearly 80,000 of them ... important, multi-functional executives from all phases of U.S. industry ... from more than 40,000 plants representing more than 4/5ths of the gross national product!

With circulation like this — an exclusive circulation built on Thomas Register's continuing census of U. S. business and businessmen — you reach *all* U. S. markets for your products, *including* the ones you now sell and hope to sell in the future.

You owe it to yourself to get all the facts on this exciting, resultful medium — and you can: just ask for our latest Media Data File.



good for selling
... because it's
used for
buying!



INDUSTRIAL EQUIPMENT NEWS

461 Eighth Avenue, New York 1, N. Y.

Thomas Publishing Company
Affiliated with Thomas Register

druggist—the final six feet of a 1,500-mile journey—getting perhaps 5 cents of the consumer's 15 cents.

"Not long ago I figured that corn, when purchased as Kellogg's corn flakes, costs \$16 a bushel. Cotton that brings 30 cents in the fields costs about \$4 a pound when made into a shirt. But here is the big point: *None of the varied buyers, processors, packers, brokers, wholesalers or retailers enjoy an unfair profit in these products.*

"Cotton in the field, corn on the cob, aspirin in the barrel lack the economy of form, time and place—and it costs a heap of money to add these extra values. With every good wish, but a sincere hope that you stub a toe on your fight against business, I am . . ."

That Christmas Gift

It will be some time before the newspapers start telling you how many shopping days before Christmas, but it is not too early to be thinking about your shopping for corporate business gifts—and last week the postman brought you a helpful guide for this in Sales Management's Sept. 10 Business Gift issue. You will find in both editorial and advertising pages several hundred ideas for sound-and-sane remembrances to your own people and to customers.

Following the public airing on vicuna coats and "payola," there was a flurry of discussion on where a well-meant remembrance left off and a business bribe began. One Federal legislator introduced a bill (it got nowhere) pegging the price at \$10 wholesale. Some additional firms, but relatively few, issued ukases that their employees could not, under pain of dismissal, accept presents from suppliers. Others joined the minority groups of those companies that either ignore Christmas giving or make contributions only to charities.

But so ingrained is the spirit of Christmas giving that the biggest changes brought about by the scandals mentioned above were in the refinement of lists (elimination of waste), greater thoughtfulness in the selection of items, and more care in the preparation of the message accompanying the gift. Too many companies ignore the importance of the latter factor. After all, if it's to be a corporate gift, the corporation ought to benefit from it, and too often in the mix-up always accompanying the opening of Christmas parcels the receiver asks himself, "Now who sent me that?" We don't think it is over-commercialization to make it clear, in a graceful way, who sent what. Usually this is best accomplished by an accompanying letter or a special card, sometimes by an imprint on the gift itself.

Far, Far from Saturation

The publishers of *U. S. News & World Report* commissioned Crossley, S-D Surveys, Inc., to make a study of their subscribers, under the consultation services of the Advertising Research Foundation. Among other things it disclosed that 47.2% had family income in excess of \$10,000. I mention that largely because here is a good cross section of high-income families; yet only 33.2% of the magazine's subscribers have air conditioning in their homes, which seems like an amazingly small figure for such an elect group. It's hard not to become enthusiastic about the future potentials of such an industry, for once you get the air conditioning habit you are really hooked. In my co-op apartment we started out with one unit and now we have four. But the survey findings point up the fact that the process of education is slow—in selling *any* postponable product. Seldom does a prospect buy on the first solicitation.

Phil Salisbury

This is a Green-eyed Brand-switcher



***A bird in the hand
is still worth
you-know-what***

... it *still* costs less to keep a customer sold than to sell a new one.

Let us show you how to keep your customers sold—how to build business that repeats *and repeats*—with your own customer engineered premium plan.

Cost? You decide that. You pay for your individually-tailored premium service plan *after* you profit from it. Not before. Let us tell you more.

Write, wire or phone collect—
ATlas 8-9315. Dept. S-9.

**The
Premium
Service Co. Inc.**
Founded 1897

SUBSIDIARY OF
THE CURTIS PUBLISHING COMPANY

195 North St., Teterboro, N.J.

Why are so many important people reading Nation's Business?

(Senators, for example)



Senator Herman E. Talmadge (Dem., Georgia)—brought the NATION'S BUSINESS article, "Right to Speak Prevents Tyranny by Majority," to the official attention of his colleagues in the Senate by having it reprinted in the Congressional Record.

Balance of information and opinion is as important to legislators as it is to businessmen—and it's also an important characteristic of NATION'S BUSINESS. Senator Talmadge—and many other congressmen—find NATION'S BUSINESS a source of reasoned, temperate, sometimes almost judicial opinion on important issues of the day.

Businessmen, too, appreciate its objectivity in the handling of events in Washington and the world that affect the course of business. Each month, some

750,000 presidents, owners, partners and other top executives in more than 500,000 business firms across the country turn to its pages for a useful look ahead at issues, developments and legislation that will shape the business future.

This background of objective, useful information for businessmen is one reason why NATION'S BUSINESS is 14% ahead of last year in advertising pages.* It's also one reason why advertising in NATION'S BUSINESS can build a favorable corporate image for your company . . . create acceptance for its products . . . announce new policies . . . or produce leads and make direct sales calls on more of the nation's businessmen than you can reach with any other management magazine.

*First 7 months.

Nation's Business

**HOW TO WIN
AN ELECTION**

ADVERTISING HEADQUARTERS,
711 THIRD AVENUE, NEW YORK 17, N. Y.

YOU ADVERTISE IN NATION'S BUSINESS...TO SELL MORE OF THE NATION'S BUSINESS

*"You can save more than half
at our newest low rates;
and perhaps even more
on heavier weights"*

—says the Railway Express Eager Beaver



New low rates apply on a large number of commodities—and savings are substantial, up to 60% in some instances. And there's no extra charge for door-to-door delivery within published limits. Keep this in mind when you're shipping or receiving. Call your local Railway Expressman today for details of our Eager-Beaver Service! (You get Eager-Beaver Service when you ship Air Express, too!)

LET THE EAGER BEAVER DO IT!



Cops, Ambassadors, Truck Drivers: They All Wear Girdles!

You'd be surprised. You'd be surprised if you knew how many American men are walking around in their wives' girdles—with the garters cut off, of course. You'll be even more surprised to hear that some 250,000 men are wearing girdles they bought for themselves, girdles they bought by mail from a single company.

We had our eyebrows raised when Irving Sperling, one of the partners for the company, threw these statistics at us. Sperling, one of three partners of Magic Mold, Inc., Freeport, N. Y., cheerfully flouts tradition by selling two-thirds of his volume of foundation garments (Magic Mold prefers to call them health belts!) by mail and to men.

We ran across Magic Mold through fortuitous snooping on the part of one of our women staff members. She saw a Magic Mold ad in The New York Times Magazine, liked the design and—being about the size of an infant hula hoop—decided it was for her. Next day she trekked up to Magic Mold's Broadway showroom. "When I entered," she told us, "I was surprised to see two men, obviously the sales staff, and a male customer coming out of one of the fitting rooms, fully clothed, but holding a girdle. Then I glanced at a catalogue on a table and saw the front cover was devoted to an ad for the Anatone Health Belt for men. 'I'm in the wrong place,' I thought."

But one of the salesmen caught her before she could get out. She showed him the Times ad and asked to see the Magic Maid (the name for the firm's offering for women). In nothing flat he had brought out two girdles in her size, one pink, the other white. She chose the white one. But so fascinated was she by the

procession of male customers that she asked if she could stay around and observe. Sure, said he.

After an hour of this she got brazen and struck up a conversation with one of the men customers. He told her he'd been in an accident five years ago and his back needed support. "I had been paying \$30 for supporting belts. Then my wife brought me here. I got a belt for \$3.98. Been a customer ever since."

Most of the male customers say they need back supports. Or they've had an operation. Or an accident. But no matter what reason they give for buying a Magic Mold, all the customers have a common attribute: a big gut.

► MM started in '50, when three young men decided to pool resources, take a fling at selling girdles to women by mail. They put an ad in the out-of-town edition of The New York News, got enough orders to warrant using other media and to issue a 4-page catalogue. But what really put them on the map was their offer of a man's health belt. When they included the offering in their catalogue they were swamped with orders.

The catalogue remains Magic Mold's real selling tool. But the garments, both men's and women's, are also sold in several dozen department stores, sometimes in the basement, sometimes in the drug department.

Says Sperling: "The military is an important customer, probably because the belts [he kept calling the girdles belts—a weaseling attitude, we thought] are an aid to good posture."

Sometimes people order the belts for someone else, as a gag. Recently Magic Mold got an order, for a giant-size girdle, signed by a general. The



company filled the order—but the general couldn't fill the girdle. He was furious. Came into Magic Mold headquarters and demanded the order, hoping to trace the culprit. Sperling doubts that he succeeded.

MM sends its web press, roto-gravure catalogue to a list of 150,000 persons, four times a year. Names for the mailing list are obtained through consistent advertising in such publications as Esquire, True, The American Legion Magazine, and to women in Glamour, Redbook Magazine.

Sperling and his partners began their venture with \$1,200 capital. Now the firm has a sales volume of over \$300,000 and the partners feel they have barely scratched the surface. Or should we say compressed the sales flesh?

Magic Mold will even make belts for special cases, such as the man who weighed 345. "But when a man gets very fat he usually isn't a prospect for us," Sperling added.

He sat on the edge of the table, ruminating.

"I still can't see why that general got so steamed up," he said, at last. "I wear a Magic Mold. So do my two partners. . . . Good night! So do all our sales people, for that matter!" ♦



IS SHE LEANING YOUR WAY?

Young & Rubicam, Advertising

Sales Management September 16, 1960 13

*Your promotion
becomes local
with dealer signs*

— — —
*and personal
by HANOVER*

... Because Hanover mass produces signs with individual, each-one-different custom features. You can show local store or dealer names, and change copy on each sign. You can specify varying sign lengths and heights — and mounting styles — to fit each individual location. And, Hanover signs do continuous, day and night, advertising for you at the point of decision. Hanover Neon Electric Corp., 1825 Joyce Ave., Columbus 19, Ohio.

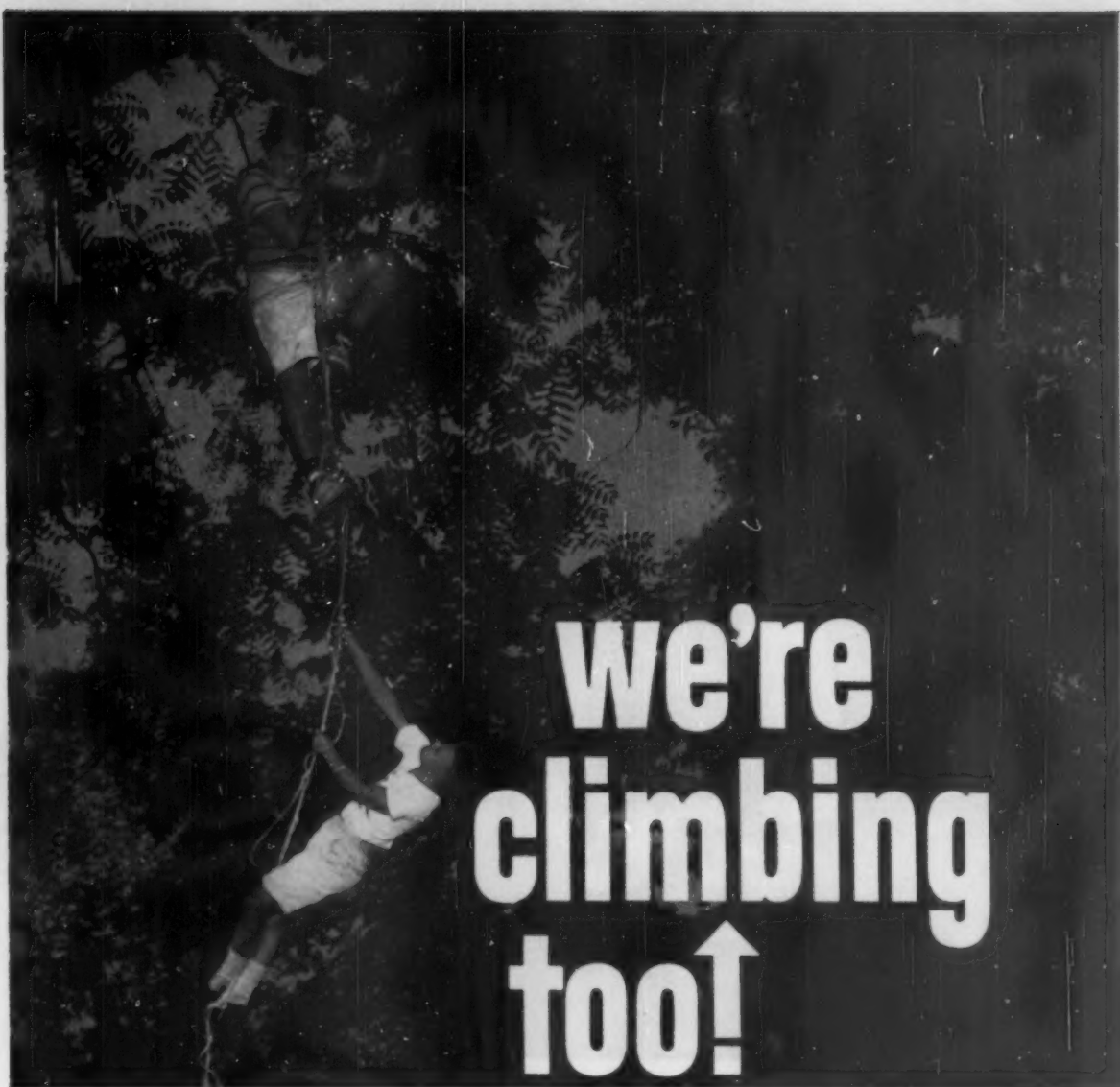
Hanover makes small signs for inside use, large ones including huge spectaculars for outdoor use... Vacuum forms sign faces of acrylic plastic, with design and lettering embossed in high relief against plain or patterned background. Colors are inside-applied, and bonded to stay brilliant. Lamps and mounting fittings are included, and each sign carries UL and union labels. Economical in short runs and spot reorders.



White Castle



**U
A
R
K**



Yes, the circulation of The Ann Arbor News has climbed pretty high in the past decade to keep pace with the fast tempo of population growth of this newspaper's market as revealed in current census figures.

While the population of The Ann Arbor News market area, roughly Washtenaw County, was increasing 27 per cent to the recent census count of 171,278, The News' circulation shot up 43 per cent to 27,548 for the ten-year period ending in 1959. Present net paid daily circulation is 28,889.

This unparalleled coverage is but one of the unique features of one of Michigan's outstanding markets. For further information, see a Booth representative today.



THE ANN ARBOR NEWS

NATIONAL REPRESENTATIVES: A. H. Kuch, 110 E. 42nd Street, New York 17, MUrray Hill 2-4760 • Sheldon B. Newman, 435 N. Michigan Ave., Chicago 11, SUperior 7-4680 • Brice McQuillin, 785 Market St., San Francisco 3, SUtter 1-3401 • William Shurtliff, 1612 Ford Bldg., Detroit 26, WOodward 1-0972.

A Booth Michigan Newspaper



How air freight has changed the sales picture

The "Arrow Collar" man of yesterday has changed to the "Arrow Shirt" man of today. Similarly, old fashioned methods of distribution have changed to keep pace with today's merchandising needs.

For example, the high spots in shirt sales are in the summer, at Easter, and at Christmas. Getting merchandise to retail outlets to take advantage of these peak sales periods is a problem in distribution and inventory.

Arrow® shirts are made in Troy, N. Y., and Shamokin, Pa., and are shipped by Emery Air Freight from these plants to fourteen distribution centers throughout the country.

"Emery enables us to add extra days to our

Christmas selling season," said Mr. Robert B. Clark, Sales Promotion Manager of Cluett, Peabody & Co., Inc.

"As an example, we start shipping shirts at the beginning of December for Christmas sales. Because of the speed of air freight, we continue to make deliveries right up to December 22nd. This means added profits at a peak sales period."

Businesses, large and small, can use Emery profitably in their sales and marketing programs. To find out how Emery can help you, call your local Emery representative today. Write for idea-packed booklet: "6 New Ways to Promote Your Products by Air Freight."



EMERY AIR FREIGHT

801 Second Avenue, New York 17, N. Y.

"EMERY—Worldwide Blue Ribbon Service"

An End to 'Headless' Distribution

To a great many sales and marketing managers, distribution management is a bit of a dirty phrase. They feel that such a system, which often involves the creation of an autonomous high level corporate function to handle all phases of distribution, not only eliminates the sales department's control over the all-important matter of sales follow-up, but also may remove a rather substantial chunk of authority from sales or marketing executives. In short, they often feel that distribution management can make the sales function within the company just a little less important.

Yet talk of distribution management persists. Indeed, more and more companies, big and small, industrial and consumer, are becoming interested in the subject. And more and more sales and marketing executives are beginning to realize that distribution management can be an aid to marketing that is well worth fighting for, not against.

Basically, this is how distribution management works:

Today, the average company scatters the distribution function among Sales, Manufacturing and, often, small, almost autonomous agencies such as Traffic. Sales exerts control over such activities as location and operation of branch warehouses, order status control, order acknowledgement and order pricing. Manufacturing most often oversees the control and handling of finished-goods inventories. Traffic handles the problem of transportation from factory to warehouse or customer.

Under distribution management, all of these activities are removed from their traditional slots and combined in a distribution department. Just where this department should be located within

the corporate framework is no little area of contention. Some feel that it should be an autonomous high level department ranking equally with Manufacturing and Sales.

But because distribution is essentially an area of buyer-seller relations, it should probably be market oriented. In fact, it would probably be correct to say that the director of distribution should report to the highest level corporate official who has full responsibility for the formulation of marketing strategy.

Titles Will Vary

Of course, this official's title differs widely among companies; it might be the sales manager, marketing v-p, executive v-p, or even the president. But the effect is the same. If the distribution department is directly under the top marketing policy man, it is certain to be (1) **marketing oriented** over the long pull, yet (2) out of the **sales firing line**, already too cluttered with paperwork (and sometimes inclined to abuse distribution for short-term purposes).

Conceivably, then, the distribution department could be completely out of the marketing or sales arena on the organization chart—if the marketing strategy chief was the president, for example. In any event, many of the components that make up the distribution picture would probably be moved from under the direction of sales managers.

Instead, all parts of distribution would be directed by an expert distribution economist who would operate almost independently within the marketing sphere.

It is obvious—and understandable—why a sales chief might tend to be cool toward such a plan, at first glance. It means he might lose control of

some very important aspects of his department—those that deal with after-sale relations with his customers. And if unified distribution is instituted, noses will be put out of joint somewhere along the line. Perhaps because a regional sales manager loses control of his warehouse; perhaps because a sales manager loses control of many home office and field administrative duties.

Nonetheless, something has to be done about distribution. In the average company, it is an outstanding source of waste. And, unfortunately, sales must pay for the rising costs and waste that occur in its chunk of the distribution process. It must pay with money that is channeled off true marketing and sales activities.

But as long as there is no central authority over distribution, it is almost impossible to see the weaknesses and inefficiencies in the system. The sales manager, manufacturing manager, controller, others, often view only the slice of distribution they control. They do not view it against today's changing markets and techniques.

So, when a cost-cutting drive roars through the marketing department (and more than one began after this year's first half), the seemingly "necessary" costs of fat-cat distribution are untouched while "arbitrary" expenditures for advertising, sales, promotion are cut to the quick.

Marketing Pays the Bill

Moreover, the overlaps and gaps created by the division of authority over distribution cause terrific operational inefficiencies—inefficiencies that are often paid for out of the marketing budget. And the indirect costs are incalculable. Slow-downs or breakdowns in distribution due to inefficiencies are costly in terms of shortages and late deliveries, and can truly sabotage a new product introduction or major promotional campaign.

In short, the need to unify distribution is acute. But what of the toes that must be stepped on to achieve it? It must be conceded that in spite of

them, distribution management works to the advantage of the sales manager and the marketing function. Here are a few reasons why:

First, it gives a tremendous amount of freedom to sales executives, especially those in the field. Particularly, it takes the regional warehouse headache away from divisional or zone managers, thus giving them as much as twice as much time to devote to the all-important sales job for which they are best equipped.

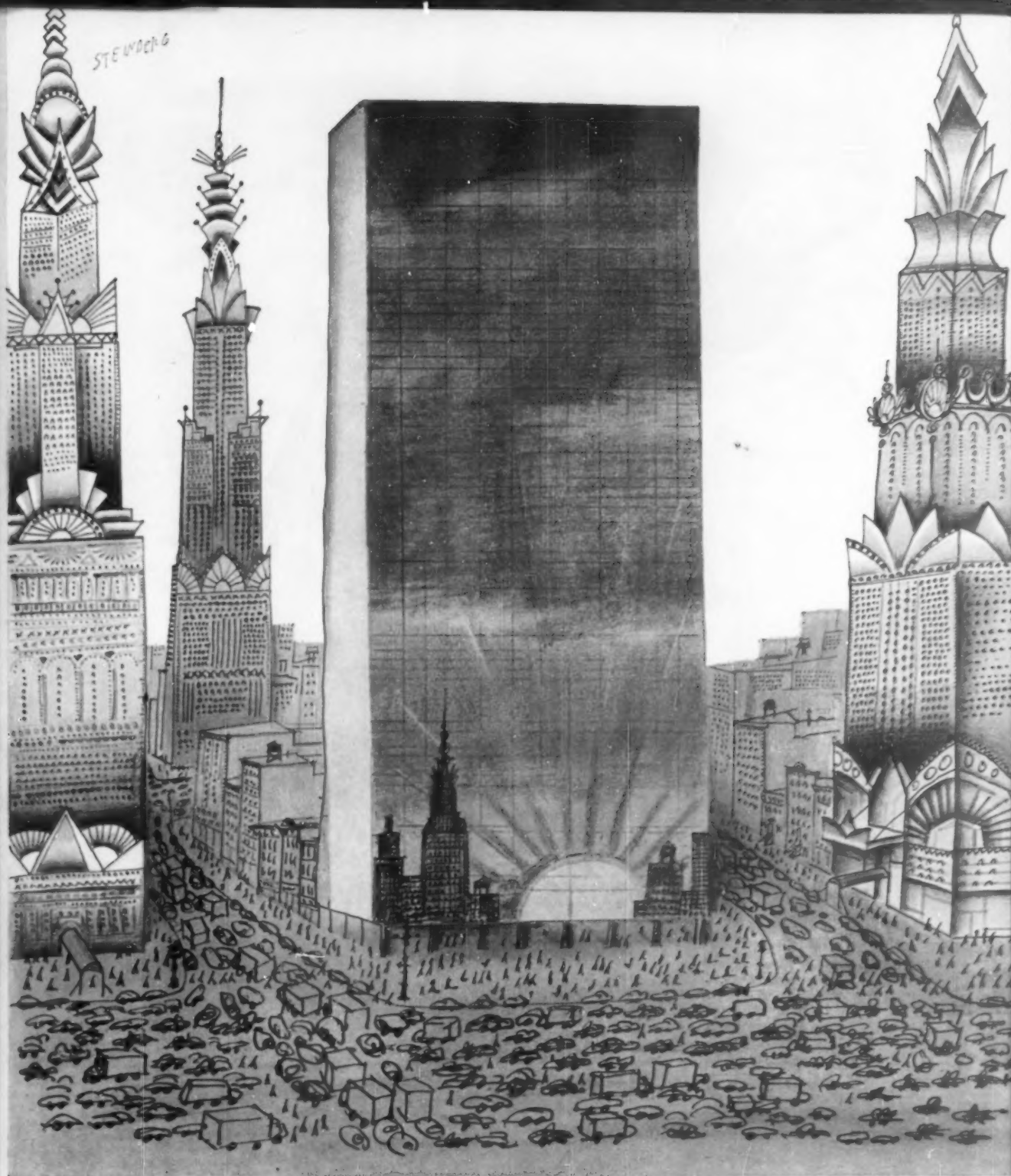
Similarly, distribution management relieves home office marketers from direct involvement in much administrative paperwork. And, as a result, the amount of red tape flowing between home and field offices is reduced, with a corresponding improvement in communications.

A unified system of distribution, which may well include a re-arrangement of field warehousing facilities, should lead to more reliable delivery of orders in less time—a sales advantage if there ever was one.

Then, too, any money that could be saved through greater efficiency could act to stave off price increases—or even to lower existing prices.

The mere fact that unified distribution makes a large—and important looking—department, also assures that it won't be overlooked in marketing planning sessions. One fringe benefit of unification: It is considerably easier to get accurate distribution cost data. This is extremely important to marketers who wish to give volume discounts, especially since the Federal Trade Commission has hit the warpath against companies that cannot offer black-and-white proof that such discounts are justified by cost differences.

So, even though a switch to distribution management might cause some stepped-on toes—and possibly seem to weaken the influence of some sales executives—if it's done right it will strengthen marketing as a profit producer—and as an influence in the company.



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The New Yorker creates

"With today's rising educational level and broadening horizons, the American people are becoming more and more interested in culture and creativity. It is up to publications like The New Yorker Magazine to stimulate this

interest, and to projects like Lincoln Center to satisfy the public's artistic needs."

Reginald Allen

Reginald Allen, Executive Director for Operation,
Lincoln Center for the Performing Arts





"Cheer up, Joe, you never had SPAM for breakfast in bed . . ."

Though millions swore off it for good, this product found a new way to higher sales

How SPAM—cussed and discussed by GI's the world over—is today gaining an even bigger market than ever before.

One of the best known symbols of World War II was SPAM. It traveled around the world to war-torn countries fortunate enough to receive SPAM as part of American lend-lease. But GI's, with a contempt bred by over-familiarity, would tell you that "SPAM is ham that didn't pass its physical." And, at one time or another, millions vowed never to eat another bite.

Perhaps they didn't count on the healing effects of time . . . or perhaps they really had a hidden fondness for SPAM. But, only a few years after World War II, SPAM was once again a family favorite. By 1958, it was the most popular 12-ounce canned meat on the market, accounting for 41% of all sales in its field.

But where, Hormel wondered, could it go from there? And how could it best meet the heavy competitive fire always directed at the top product?

At that point, Hormel and its advertising agency, Batten, Barton, Durstine & Osborn, turned to Reader's Digest. And so began another remarkable chapter in the saga of SPAM.

Higher sales by the advertisement

Says R. D. Arney, vice president in charge of Hormel's Flavor-Sealed division:

"Even in the face of a then declining market for 12-oz. canned luncheon meat, SPAM sales went up. In 1959, we advertised SPAM five times in the Digest and sold 6,600,000 more cans than in the previous year—or 1,320,000 more cans per advertisement. In total volume that meant an increase of over 10%. It raised our share of market to 45%."

For Dinty Moore Beef Stew and Mary Kitchen Roast



EMH
1960

"Easy, son—your Uncle Joe and I haven't had seconds on SPAM yet."

Beef Hash, Mr. Arney reports equally satisfying results:

"These brands have been faced with more and more competitors—most of them selling at lower prices. By using the Digest we reach a huge and prosperous audience that is interested in *quality*—and can afford to pay premium prices for our top-grade products.

"As a result, we have held our share of market from coast to coast. And this tough competitive job has largely been done through the Digest."

In 1960 Hormel is again putting the largest slice of its advertising in Reader's Digest.

Same advantages can work for you

Your company can benefit from the same advantages that are making Hormel's advertising so effective. For example, because of the wealth of stimulating reading in the magazine, the typical Digest reader looks into each issue about *five different times*. Result:

This audience of 35 million people will look at your own advertisement—in one issue—over 60 million times. That's double the chances to sell that you would get in the other leading magazines studied in the latest Politz research... giving you a significant cost advantage.

And the advantage over TV is even greater. For each thousand chances to sell (or "exposures"), the cost is *less than half* that of television.*

Reader's Digest also offers these other *exclusive* advantages to help your sales:



- 1. The largest proven audience of readers.** It is larger than any other magazine, larger than any newspaper or newspaper supplement. More people read the Digest than look at the average nighttime network television program.
- 2. The largest quality audience that can be found.** More people with greater spending power read the Digest than any other magazine. And you will find that the higher the income group, the greater the Digest's share of the audience.
- 3. Discrimination in the advertising accepted.** The Digest alone of major media accepts no alcoholic beverages, no tobacco, no patent medicines.
- 4. Belief in what the magazine publishes.** People have faith in its editorial and advertising columns alike.

*Based on the costs for a black-and-white page in Reader's Digest and a 1-minute commercial on the average nighttime network television program.

People have faith in
Reader's Digest

*Largest magazine circulation in the U.S.
Over 12,000,000 copies bought monthly*



ART LINKLETTER'S HOUSEPARTY

To millions of listeners, the liveliest Art is Linkletter. His zany stunts, surprises and conversations with kids (who say the darnedest things) make Houseparty a bright spot in the day for housewives. And as for sales, nobody livens them up like Art Linkletter. In all radio, Art Linkletter is the kind of company you keep

**ONLY
ON CBS
RADIO**

-SM- MARKETING

THE IMAGE SPLIT

Boston—When a baseball fan thinks of the World Series he usually thinks of Gillette Safety Razor Co. This year he'll be surprised to see the baseball classic's sponsorship shared with General Motors Corp.

Gillette spent a large slice of last year's \$5.4-million fall advertising budget on Series coverage. This fall the company made several additional advertising commitments (among them, Saturday afternoon baseball) which pushed expenditures way up. To help cut costs, GM was invited to share equally in the World Series sponsorship, but Gillette will still spend \$4.9-million.

WHO'S DOING THE BUYING?

New York—While the New York automobile market is the largest in the world, it appears that one group is doing most of the buying. World-Telegram's major survey of new-car buyers in the New York market reveals that two-thirds of all new cars sold were purchased by 29% of families with incomes of \$7,500 or more—the same group includes 80% of those owning two or more cars.

FLYING WIVES

Wichita—Distaff members have become prime targets for marketers of most products in recent years. Now Cessna Aircraft Co. is hopping on the bandwagon with an appeal to wives to "take flying lessons with your husband for half price."

STOCKHOLDERS MAKE THE BEST SALESMEN

Chicago—What's new in motivation of sales personnel? The rewards offered by United States Plywood Corp. for greater merchandising efforts are \$500-worth of the company's stock. Stock awards were recently handed out to eight aggressive lumber dealers.

WAR AMONG THE TANNERS

Washington, D. C.—There will soon be plenty of fireworks among producers of the "no-sun" tanning products. Drug Research Corp., maker of Man-Tan, has filed suit in the U.S. District Court for patent infringement and unfair competition against manufacturers of Q-T, Tan-O-Tan, Tan-O-

Rama, Tansation, Magic Tan, Look Tan and similar products. After filing, Drug Research ran a half-page ad in The Wall Street Journal announcing the action and denouncing the other "tan" makers.

Q-T manufacturer, Plough, Inc., bounced right back with a statement that it would continue to sell its product. Furthermore, it's taking legal action to establish "prior inventive rights."

UNFOND MEMORIES DEPT.

Quincy, Ill.—It's a safe bet that more than one salesman of the Moorman Manufacturing Co. (livestock & veterinary products) suffered from slight nostalgic nausea when he first viewed the facilities offered by the company for six home-office sales meetings. Reason: the company erected an army-style "tent city" (complete with 5:45 a.m. reveille), 11 miles out of town, in which the salesmen slept, ate and attended meetings.

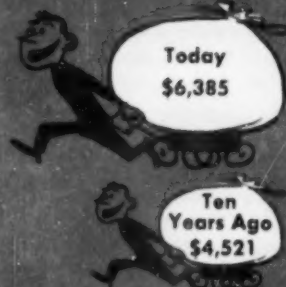
Chances are, however, that the food had a slight edge over Army chow: During the six meetings the steak broilers ate up over 2½ tons of charcoal.

LUXURY MARKETS OVERSEAS

New York—With the demand for the essential commodities of life now reasonably satisfied in large sectors of the free world, markets for a long list of relatively non-essential goods and services are likely to develop at an accelerated rate. A McCann-Erickson Inc. report shows that the nations of the free world will attain more than

The Survey Says*

Family Income Is Up 41%



*Source: Sales Management's 1951 and 1940 Survey of Buying Power

on the MOVE

a 50% rise in production and a 20% gain in population in the next ten years.

FRENCH ADVERTISING

New York — Marketers with a speculative eye on the European markets would do well to listen to what M. Raymond Puel de Lobel, French advertising executive, has to say about French audiences. "American advertising would never go in France. Americans want to learn about more things; they want to be 'informed.' A Frenchman would be insulted if he thought an ad was trying to teach him something. Consequently, he would never have the patience to wade through the enormous quantities of copy one finds in an American ad. Less copy and more punch are what French ads need."

SALES TALK ON TAPE

New York — Two old distributor-level marketing problems have been solved for Matthew Stuart & Co., Inc. The problems: how to make sure the distributor sells his own sales force on the company's tape recorder; how to get him to re-tell the sales story the way it should be told. A new promotional portfolio featuring a tape recording of national sales manager Jack Bergman's sales talk is handed out to distributors.

Another spur to sales included in the portfolio: a "write your own check" bonus checkbook. Each time a salesman makes a sale he writes out a check to himself for a specified amount.

IMPORTS: DIRTY POOL?

Chicago — "Hiding behind the American flag to sell their Japanese-made wares" is the charge recently leveled at some U.S. merchandisers of Japanese radios. The charge comes at a time when the Japanese are planning to launch a second electronics invasion of the U.S.—this time with TV sets.

Ross D. Siragusa, president of Admiral Corp., says there is growing evidence of "attempts to delude the American public with highly questionable marketing practices for Japanese transistor radios." He cites: (1) the latest brand name for a Japanese radio—"Americana"; (2) a full-page ad placed in Home Furnishings Daily by a distributor of Japanese radios,

headlined: "Acceptance Built on Integrity" and featuring a large photo of the Mount Rushmore National Monument of four presidents; (3) the fact that no Japanese TV set yet carries the Underwriters Laboratories' seal of electrical safety.

The Admiral president is fighting hard—but often alone. Most domestic radio-TV makers have decided the solution is to buy electronic components or complete Japanese sets for marketing under their own brand names.

LONG CHRISTMAS THIS YEAR

Ann Arbor, Mich. — Argus Cameras, Inc., has started a sales program aimed at lengthening this year's holiday selling season. Some steps Argus is taking: A bonus plan will allow extra profit discounts on merchandise ordered between certain dates; the company will place the names of bonus plan dealers in a Saturday Evening Post advertisement scheduled to reach the stands Oct. 4. It will also offer four free merchandising display kits designed to appeal to the Christmas gift consumer before and after the usual peak retail season.

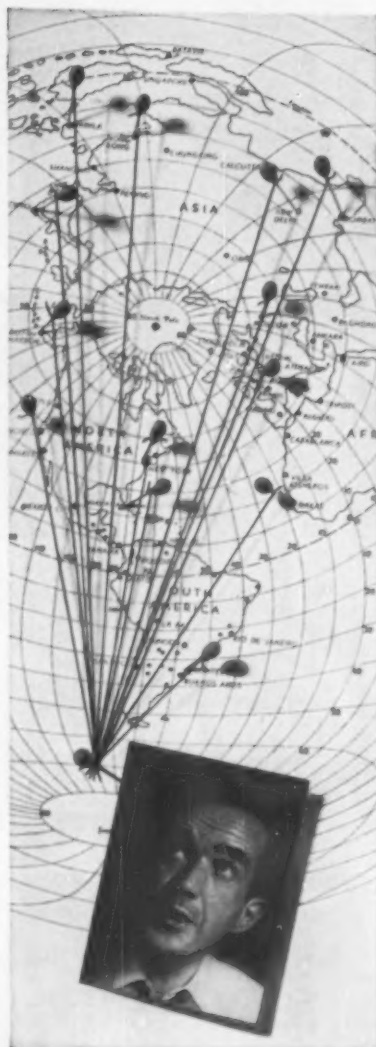
FOR THE CONTESTANT WHO HAS EVERYTHING

Dallas—How's this for a contest prize? In its just-closed Diamond Jubilee contest, Dr. Pepper Co. offered a diamond doorknob to the contestant who could come up with the best reason for wanting one. As an added inducement, a \$25,000 Swift home, a Rambler station wagon and a Re-finite-Sheldon pool went along with the doorknob.

VW MEETS COMPETITION

Detroit — Volkswagen, the little giant among imports, is preparing to meet even stiffer American small-car competition next year. The probability that Ford would introduce an American-built small car in the 90-in. wheel base and \$1,600 price range spurred VW designers to make no less than 27 functional and mechanical changes in the 1961 model.

The car will keep its old "bug" look but will have more horsepower, more trunk storage space and some American-style conveniences. Despite these and other changes, increased production will enable VW to hold its present prices. (continued)



BACKGROUND

Edward R. Murrow presides over a major innovation in news programs. Every Sunday he and crack CBS News correspondents abroad examine the week's most significant news in a 25-minute international "conference call." The objective: to impart fresh insight into the meaning of the news. In all radio, Edward R. Murrow is the kind of company you keep . . .

**ONLY
ON CBS
RADIO**



and only ONE can give you TOTAL Coverage in the PONTIAC AREA

In an area of 283,000 people, 76% take THE PONTIAC PRESS daily. Be sure and see the comprehensive new study on home coverage in Pontiac!

Total Selling needs
Total Coverage
In Pontiac, Total Selling
Means The Press

THE PONTIAC PRESS

PONTIAC • MICHIGAN

Scolaro, Meeker & Scott, New York,
Philadelphia, Chicago and Detroit
Doyle & Hawley,
San Francisco and Los Angeles

—SM—MARKETING on the MOVE—

(continued)

The contest between American and German designers—conditioned as it is by the size and price of the package—should be interesting to watch.

BUCKING THE TREND

White Plains, N. Y.—Advertisers aiming at the billion-dollar retail market of Westchester County, wealthy New York City suburb, will soon be able to test the effectiveness of a new newspaper. The Daily Trader, Westchester's first morning daily, will make its debut Sept. 26. The paper, first new a.m. daily in New York metro area in decades, will be bucking the substantial Macy chain of Westchester p.m. dailies.

THE COST OF ADVERTISING

New York—Due to tremendous increases in production costs in the past few years, advertisers nowadays pay more and get less. In its latest report of newspaper circulation and rate trends, the Assn. of National Advertisers states that circulations for the years 1946-1960 have increased only 11.1% for daily newspapers and 13.2% for Sunday papers. Yet the rates per million circulation have increased 66% for dailies and 44.3% for Sunday papers. Rates per 5,000 lines have increased 84% for dailies; 62.9% for Sunday papers.

THE COLLEGE MARKET

New York—When 30,000 of the nation's students return to college this month, they'll receive a gift worth \$3.50 to \$4.00 from the Guest Pac Corp. The company will launch its ambitious college sampling program with the "Campus Pac," a gift package consisting of products contributed by a dozen or more of the country's leading drug, toiletry and cosmetics manufacturers—Procter & Gamble Co., Warner-Lambert, Colgate-Palmolive, Shulton, and Gillette, among others. In the course of the coming academic year, Guest Pac expects to reach 3 million students—75% of the nation's student body.

HOME INTERPHONE

New York—Threatening the intercom market is Bell Telephone System's new "Home Interphone," an intercom system that works entirely through telephones. Besides door-answering and electronic baby sitting, it provides a variety of services such

as hands-free talking and broadcasting by voice throughout the house. The equipment for the system, consisting of a telephone and small speaker, will be available early in 1961.



SALESMAN IS A GOOD EGG

Nutley, N. J.—A "Chinese egg" called No Can Chew is helping Hoffman-La Roche's new B-complex vitamin-tablet, Rovicote, stand out among today's bumper crop of new pharmaceuticals. In fact, the smiling Oriental carries the entire introductory campaign on its nonexistent shoulders: Its name helps point out that, although most people find it distasteful to chew B-vitamins, Rovicote is designed to taste good; it makes a clever and noticeable mailing piece as a real egg-within-an-egg "Chinese egg"; it forms the basis for a humorous "Chinese" campaign, complete with fortune cookies that contain advertising parables. And, strangely, it even gets across the product idea: Rovicote is built like an egg, with the vitamin forming the "shell" and the tasty "edible" part inside.

BIRTH RATE DECLINES

Washington, D. C.—Births are off 2%. U. S. Public Health Service reports 2,011,000 live births registered in the first half of 1960; 1959 figures: 2,056,000. The drop is probably due to the fact that, for several years, women have been marrying younger; they have been starting—and completing—their families earlier. Since there is no evidence of a trend toward smaller families, the current drop is expected to continue only until the World War II babies reach marrying and reproducing age.



1935 (Twenty-five years ago)



1935 (Twenty-five years ago)



1945 (Fifteen years ago)



1946 (Fourteen years ago)



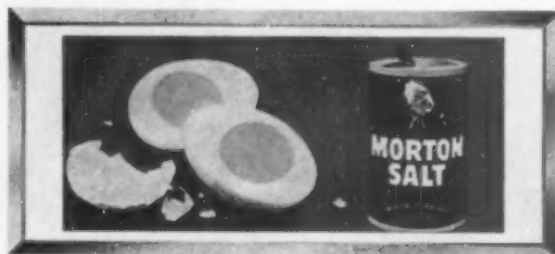
1948 (Twenty years ago)



1956 (Four years ago)



1958 (Two years ago)



1959 (One year ago)

If you remember these posters, you know why Outdoor is called the *Persistent* Primary Medium

Why does Outdoor advertising penetrate so deeply into the mind that it is remembered for weeks, months and years? Two main reasons.

One is simplicity of the Outdoor message. Outdoor by its very nature distills the selling message into a minimum of words and pictures, and drives it home with a clean, sharp blow.

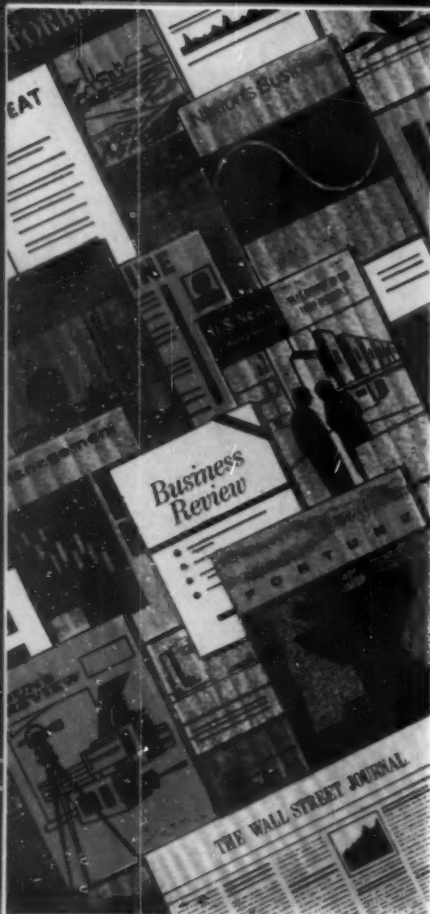
Another reason is repetition. Your message in Outdoor is exposed repetitively 21 times a month to an average of 94% of the car-owning families in a market.

With offices in: Atlanta, Chicago, Dallas, Detroit, Los Angeles, New York, Philadelphia, St. Louis, San Francisco, Seattle

As a result, your message on Outdoor *persistent* in the mind of the viewer as with no other primary medium.

To help Outdoor go to work *persistently* for you, OAI—national sales representative for Outdoor—puts at your disposal research, planning, creative, and merchandising services. Just write or call the OAI regional office near you.

OAI OUTDOOR
ADVERTISING INCORPORATED



ADMINISTRATIVE...

PRODUCTION...



ENGINEERING...



PURCHASING...



How can you **CONCENTRATE TO DOMINATE** the metalworking market...

... and still cover all four buying influences? Metalworking is BIG... accounts for over half of all manufacturing in the nation. Metalworking is BROAD... embraces nine high volume SIC segments. Metalworking is GROWING... will increase from \$150 to \$225 billion by 1965... \$340 billion by 1970. In the light of these facts... are you investing enough to make the most of this BIG, BROAD, GROWING market? Are you covering all SIC segments... all important buying influences? Are you concentrating your dollars... to create a dominant campaign in the publications which can help your salesmen most? Of course, you use the "verticals" and single function publications to round out your program. But first, make sure you invest *enough* dollars in a publication that enables you to **CONCENTRATE TO DOMINATE** the *managers* in *all* of Metalworking America. STEEL will do the job for you. STEEL's circulation is proportionately matched to all SIC's in metalworking. By editing to the common interests of metalworking managers... STEEL covers all key buying influences in administration, production, purchasing and engineering. In STEEL... you can **CONCENTRATE TO DOMINATE**.



STEEL
The Metalworking Weekly

serves all four functions best because it serves them all

A PENTON Publication Penton Building Cleveland 13, Ohio

Planned Packaging moves merchandise

Here's an artist who sells your merchandise

This man and many others like him on Packaging Corporation of America's technical staff devote themselves to *selling your products*. Cooperating with product development and production engineers engaged in constant improvements of packaging materials and methods of all types, they form a *creative team*. Under their skilled hands the container or carton is transformed into a colorful, appealing creation that works for you in transit, promotes its contents from shelves and counters, invites buyers to reach for it. Experimenting with color arrangements, with special inks and a variety of printing processes . . . theirs is a continuing quest for all the ways in which artful package exteriors can sell harder. Bringing this ingenuity to the design of your packaging is but one of countless ways in which Packaging Corporation of America's concept of Planned Packaging, implemented through integrated national facilities, produces better packaging . . . more sales. Whether your requirements are large or small, regional or national, we welcome the opportunity to help you.



Packaging Corporation of America

1632 CHICAGO AVENUE, EVANSTON, ILLINOIS

Cartons • Containers • Displays • Egg Packaging Products • Molded Pulp Products • Paperboards

28 Sales Management September 16, 1960

vs. tax favoritism

A number of the supporters of tax equality who face cooperative competition have strenuously protested your recent article, "The Cooperative Lincoln—More Marketing Revolutions" [Dynamarketer, SM June 17]. While most of these people do not object to the cooperative form of doing business, they strenuously object to the tax-favored competitive position that cooperatives enjoy. . . .

Mr. Lincoln can profess to adopting "capitalist" methods, but no true enterpriser will believe it until cooperatives and mutuals pay the same taxes as proprietary business.

GARNER M. LESTER

President
National Tax Equity Assn.
Washington, D.C.

► Since we are substantial taxpayers ourselves, we naturally favor the tax-paying enterprise. But that doesn't blind us to the fact that an interesting individual may be a member of the "enemy" camp.

what's backwards?

In your August 19 issue ["Notes from the Editor's Side Pocket"] you ask readers if they go from "front to back" or from "back to front." I find that back to front is usual for me. Wondering why this should be true, I finally realized that there was a simple answer: Being left handed, I usually hold the bound edge of a magazine in my right hand and thumb through with my left.

Apparently, however, this is not the whole answer—unless the advertising group to which you referred has proved a haven for us "south-paws." . . .

R. W. PFEIFER

Marketing Administration
Large Lamp Dept.
General Electric Co.
Cleveland, Ohio

. . . My habit is to scan the contents, leaf rapidly front to back, stopping to read the things of immediate concern, to sample others, and to know in 15 minutes the general nature of the entire issue, including new advertising approaches.

(I think this is a professional characteristic of newspaper editorial and publicity people, who want to know how their stories were handled and whether the paper got scooped; whereas publication advertising men and many agency men work from back to front to see what the competition did and who got the best positions.)

Later, as time permits, I read through SM thoroughly, tearing out the material I want to keep. For years it has taken more of my time than any other publication in the marketing and communications field. . . .

ROY KOLLENBORN

New York, N.Y.

young salesmen, well advised

I was greatly impressed by the article, "Advice for Young Salesmen" [SM August 19], by William R. Kelly of Sinclair Refining Co.

If reprints are available, I would like 20 for distribution to my associates. . . .

DWIGHT D. JARVIS

Branch Sales Manager
The Pillsbury Co.
Silver Spring, Md.

. . . and veterans reminded

. . . very sound advice for every young man starting in the sales profession and an excellent reminder to the many experienced salesmen who sometimes seem to have forgotten the fundamental principles of sound salesmanship and the responsibilities of a salesman to his company.

NOLAN C. NEWMAN

General Manager
Little Giant Pump Co.
Oklahoma City, Okla.

. . . Mr. Kelly's ability to express himself with great directness and obvious understanding on this very important subject has resulted in what I believe to be an outstanding article.

I would like to send it to all members of our sales organization—old and young.

ARNOLD M. RAPHAEL

Vice President, General Manager
Esquire Socks
New York, N.Y.

. . . We would like 300 reprints of this article.

C. E. WILLIAMS

Manager, Marketing
Medical X-Ray
General Electric Co.
Milwaukee, Wis.

► Reprints of "Advice for Young Salesmen" are available at 25 cents each. Write: Readers' Service Bureau, Sales Management, 630 Third Ave., New York 17, N.Y.

In Catholic Institutions



Concentrated Coverage!

Catholic Management Journal provides vital management ideas to more than 21,000 (audited by Vac) selected pastors and key Catholic administrators . . . before, during and after construction.

Catholic institutional readers verify the strong impact of Catholic Management Journal. A recent VAC analysis indicates 99.1% readership.

Issued five times a year . . . in February, April, June, September and November . . . Catholic Management Journal is keyed to the most active specifying and buying seasons of the year.

SEND FOR VAC AUDIT REPORT AND SAMPLE COPY OF CMJ.

CATHOLIC MANAGEMENT JOURNAL

400 North Broadway
Milwaukee 1, Wisconsin

Orlando Sentinel-Star

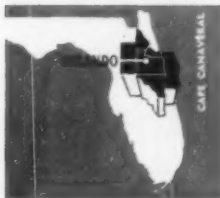
LEADS NATION IN NEWS CONTENT!

Orlando's Sentinel and Star brought their readers 40,120,228 lines of news and feature content in 1959. This news lineage measured by Media Records, Inc. an independent research organization, put Orlando Sentinel-Star number one in the nation among combination newspapers for news content.

ONE-HALF MILLION people live in the Central Florida five-county area, where the Orlando Sentinel-Star outsells, by a ratio of 6 to 1, all other major Florida dailies. With the top news and feature lineage in the nation we must be giving our readers more for their money . . . of course this means our advertisers get more for their money too!

AS MEASURED BY MEDIA RECORDS, INC.

Newspaper Combination	Lines News
1. Orlando Sentinel and Star	40,120,228
2. New Orleans Times-Picayune and States-Item	33,100,356
3. Phoenix Republic-Gazette	33,069,577
4. Cleveland Plain Dealer and News	32,864,650
5. San Diego Union-Tribune	31,920,877
6. Riverside Press and Enterprise	30,803,501
7. Tulsa World and Tribune	29,781,904
8. Indianapolis Star-News	29,765,098
9. New Haven Journal-Courier and Register	29,660,990
10. Long Beach Independent, Press Telegram	29,461,746
11. Boston Herald-Traveler	29,452,978
12. Providence Journal-Bulletin	29,262,822
13. Salt Lake City Deseret News-Telegram and Tribune	29,142,911
14. Boston Globe	28,872,574
15. Tampa Tribune and Times	28,754,224
16. Atlanta Journal and Constitution	28,581,035
17. Worcester Telegram and Gazette	27,898,033
18. Baltimore Sun	27,688,843
19. Memphis Commercial Appeal and Press Scimitar	26,801,875
20. Rochester Democrat Chronicle and Times-Union	26,753,208
21. Oklahoma City Oklahoman and Times	26,736,989
22. Louisville Courier Journal and Times	26,596,134
23. Richmond Times-Dispatch and News-Leader	26,562,957
24. Harrisburg Patriot and News	25,141,776
25. Fort Wayne Journal-Gazette and News-Sentinel	26,045,993
26. Minneapolis Star and Tribune	25,860,442
27. Newport News Press and Times-Herald	25,832,133
28. Erie Times and News	25,620,329
29. Dayton Journal-Herald and News	25,604,288
30. Des Moines Register and Tribune	25,263,006



Orlando's
Metropolitan
Area
of 317,412 is
fastest-growing
of ALL says
U.S. Census

Orlando Sentinel-Star

We lead ALL at Cape Canaveral . . . "Gateway to the Moon"



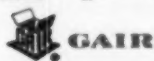
Bobby never heard of Continental's Gair division but the GAIR people know Bobby very well!

Unknown to Bobby, a Continental division called Gair watches him and his famous appetite constantly. That's why smart manufacturers sell what Bobby eats in Gair cartons.

They know, for instance, that Continental's research has carefully recommended the board to preserve the fullest flavor of Bobby's vanilla fudge . . . the clean sheet to give printing quality that sells.

Those smart manufacturers also know that this is just one of the vast selection of boards Continental produces for maximum economy, efficiency and sales appeal. They know, too, that Continental has complete printing facilities—gravure, lithography and letterpress—in plants from coast to coast.

So remember, years of leadership in the printing, construction and manufacture of folding cartons and boards give Continental's Gair division the experience to turn your problem into profits. Call us today!



CONTINENTAL © CAN COMPANY BOXBOARD AND FOLDING CARTON DIVISION
530 FIFTH AVENUE, NEW YORK 36, N. Y.

BY HARRY WOODWARD



His Forte: Communicating

In order to take his new job as v-p of marketing, Industrial Products Group, Hudson Pulp & Paper Corp., 43-year-old Richard L. Siegel had to give up the presidency of Gardner Division, Diamond National Corp. (He'd been with the company for 11 years.) And in order to achieve its goal of \$100 million in annual sales within the next few years—an increase of \$34,325,000 over last year's total—Hudson has been doing some reorganizing of its own. Previously four separate sales organizations—Consumer, Multiwall, Paper Merchant and Bulk divisions—all reported to the

executive v-p. Now, all but Consumer will become divisions within the new Industrial Products Group. They'll report to Siegel. Hudson's ambitions were an undoubted attraction to so ambitious and articulate a man as Siegel. People who know him agree that his long suit is communication. He has an impressive ability to boil down large quantities of facts and details into communicative ideas. And he gets his ideas across. He was born in Davenport, Iowa, began his career in the Industrial Relations Department of International Harvester. He came to the paper industry when he joined Gardner Board & Carton Co., which later became a division of Diamond National Corp.

Airkem's New Prexy: From the Lab to Sales

Frank W. Conkling got his first job (with Airkem, Inc.) through pull: He's gotten to the presidency through brains, salesmanship, technical know-how—and by working like a horse. Airkem is the world's leading manu-

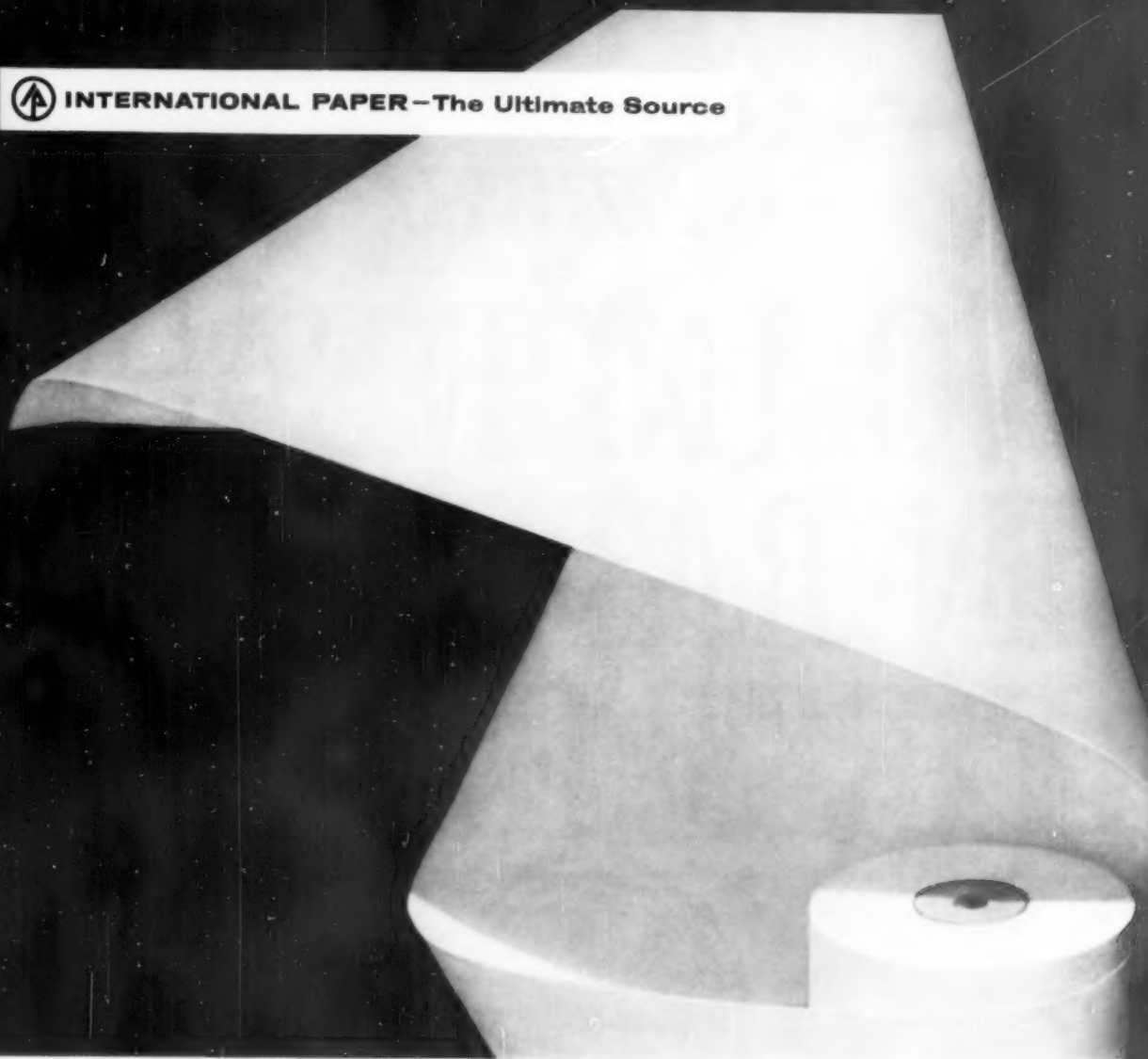
facturer of odor counteracting chemicals. Its best-known product—to the layman—is "Air-Wick," distributed in the U.S. by Lever Brothers. The firm's industrial and commercial divisions operate in 282 cities in the



U. S. Through subsidiaries and distributors, Airkem sells its products in more than 100 foreign countries. One of its more interesting aspects: the SOS smoke odor and decontamination service (which Conkling started). Suppose a huge store has a fire. Everything smells of smoke; SOS, in 24 hours, can have sheets smelling like sheets, leather like leather, not by masking the smoke odor but by counteracting it. A foundry belches sulphur fumes, the community protests. SOS can solve the problem. . . . Frank Conkling has been with Airkem continuously since 1946. His uncle, W. H. Wheeler, one of the founders (and the recently deceased president), offered him a sales job when he came out of the University of Vermont where he had done graduate work in engineering. (He also holds a BS in chemistry from the University of Chattanooga.) He's personally responsible for having sold the concept of odor counteraction to the public, to industrial firms and commercial establishments. Highly vocal, a bundle of energy, he thinks of himself first as a salesman, then as an engineer or chemist. Since 1955 he's been v-p in charge of sales for the Western Hemisphere. He lives with his wife and five children in a Victorian house overlooking the Hudson.



INTERNATIONAL PAPER—The Ultimate Source



How to improve a 35-year-old paper

(More packaging news from International Paper)

Read about our Gator-Hide® kraft paper line and new bleached Gator-Hide Extensible Kraft.

The reputation of Gator-Hide, the world's most widely used kraft paper, began when International Paper made its first roll of kraft paper in the South in 1925.

Today, in our Southern mills and research centers, a second and third generation of craftsmen are still finding new uses for this Gator-Hide line of strong protective packaging paper.

One of the most valuable recent additions is *bleached Gator-Hide Extensible Kraft*. This paper provides built-in *stretch* for *extra strength*. It is ideal for industrial wrappings, multiwall

bags and many other uses. Comes in white, black and natural color.

Our craftsmen are also producing many different specialty papers. Papers that can be made water repellent, highly absorbent and flame resistant. Poly-coated, waxed and colored specialty papers are also available.

The future of Gator-Hide industrial papers is unlimited. Their versatility will contribute to the science of packaging for years to come.

International Paper can provide you with the widest range of papers, boards and packaging assistance in the industry. Call us or contact your converter—he's probably been doing business with us for years.



INTERNATIONAL PAPER New York 17, N. Y.

Manufacturers of papers for magazines, books and newspapers • papers for home and office use • converting papers • papers and paperboards for packaging • shipping containers • folding cartons • milk containers • multiwall bags • grocery and specialty bags and sacks • pulps for industry • lumber, plywood and other building materials

NEWS!

NO INCREASE IN RATES FOR FIRST HALF '61

Parade circulation is increasing substantially (884,000 in the last year). An important part of this increase has been achieved by Parade distributing newspapers without expensive promotions to force the growth.

This is not true of most general magazines. Reluctant subscribers are forced to order, by ever gaudier deckle-edged, gilt-lined, cut-rate, pay-later offers by air mail and telephone. The advertiser pays the bill. Many publications are raising rates for increased circulation and for added costs.

But, as a result of operating efficiency, Parade has avoided raising basic charges, both to distributing newspapers and to advertisers—despite rising costs for an improved product.

In fact, throughout the last half of 1960, Parade is delivering its new high in circulation at a cost-per-thousand *lower* than was charged during the last half of 1959.

Parade continues to hold the line. Current advertising rates (card #36) will remain in effect through July 2, 1961 with rates *guaranteed*.

Based on past performance, it is expected that additional newspapers will begin distributing Parade during the next six to nine months. The circulation of such newspapers will be delivered as *bonus* through July 2, 1961.

No need to wait or wonder about 1961 rates. Place firm first-half orders now without fear of rate change.

PARADE

*The Magazine Section
of 65 Leading
Sunday Newspapers*



The 'Secret' Hand In Private Brands

By LAWRENCE M. HUGHES
Senior Editor

The biggest national advertisers are betting record billions on their brands. In eight space and time media last year the top 100 of them bought a combined \$1.69 billion. And if you add their efforts in such other media as point-of-purchase, premiums, sampling, direct mail and more, their total advertising tab probably exceeded \$2.5 billion.

Indeed, these 100 biggest branders may have paid the bills for a full quarter of all the \$11 billion estimated to have been spent by scores of thousands of national, regional and local advertisers in all media in 1959.

They have built a big stake in their national brands.

Surely, they must put every ounce of effort into the further strengthening of their hard-won franchises. Surely, they—among all advertisers—must fight with all their resources the growing tide of private brands.

But do they?

The answer is: Most of these biggest advertisers don't. In fact, many of them even supply their private brand rivals.



The 'Secret' Hand in Private Brands

Leading advertisers in such industries as foods and beverages and liquor, in drugs and soaps and toiletries, in oil and rubber and chemicals, in electrical and building products, today sell their products for others' labels. Those who do so "substantially" represent at least half of the top 100.

The eight media from which the totals for this article are taken are newspapers, general and farm magazines, business publications, network and spot television, spot radio and outdoor.

From the 100 advertisers, one-third may be lopped off in a group:

- The motorcar industry and the advertising leaders, at least in cigarettes, soft drinks and beer (with one slight exception in beer) sell all their output under their own brands.
- Six of the top 100 are service companies: the Bell System, Prudential Life, and four big airlines.
- Another is Florida Citrus Commission — which for obvious reasons cannot single out anyone's particular oranges and grapefruit.

But among the rest there seems to be a growing tendency to carry customers — and brands — on both shoulders, and, publicly at least, not to let the right (or national-brand) hand know what the left (or private-brand) hand is doing.

They are glad to supply such super-retailers as A&P, Safeway, and Kroger, Sears, Montgomery Ward and Woolworth. And the "national advertisers" find that, in their growth, the "private-brand advertisers" rapidly are becoming "national," too.

If retailers were counted among the top 100 advertisers, Sears, Roebuck would rank third. Its \$89.5 million in 1959 (and this is an actual figure, not an estimate) would put Sears just below General Motors' \$110.6 million for the eight media, and Procter & Gamble's \$105.6 million. When you include the mail-order catalogue as a medium, Sears' advertising tab came to perhaps \$125 million.

Ninety-five percent of Sears' \$4-billion business is in its own brands.

In the top advertisers' list are several companies — three in chemicals,

for example, and two in metals — whose business is largely selling ingredients and materials to others.

But even among companies primarily concerned with finished consumer products certain factors are spurring a trend to find big buyers fast. "Commodity" companies in everything from milk to green coffee to grain and fruits and vegetables can be glutted. In certain industries — detergents, for instance — production capacity now exceeds ability to sell through regular retail channels. Also, manufacturers in many industries today are glad to have big (private-brand) customers to help them maintain a steady flow of production and sales.

They recognize the fact that private-label customers are here to stay — and probably to grow — and, therefore, they might as well get theirs. If you can't lick 'em, join 'em.

The extent to which the retailers have not been licked is suggested by the fact that five-sixths of grocery

chains, of all sizes, now sell their own labels, and about three-fifths of them say they are increasing the number of such labels. They believe that store identity now means more than brand identity.

As Chilton's Food Engineering has pointed out: "Private labels are increasing in numbers, expanding in kinds of products and growing in strength. The big-volume buyer calls the shots in the 'battle of the brands.'"

Food is the biggest industry and, more than any other retail group, grocery retailers keep in constant and close touch with their customers.

The ten biggest chains now do 44% of all super market volume and nearly one-third of all grocery volume. They are growing faster than their major suppliers: In the last five years, while the ten largest food manufacturers were expanding combined sales by 14%, from \$9.485 billion to \$10.845 billion, the ten largest food retailers nearly trebled that rate, at 40%, from \$10.117 billion to \$14.175 billion.

Among the ten manufacturers, only Corn Products (largely due to acquisition of Best Foods) increased sales more than 50%. This company, National Dairy, General Foods, Ralston Purina, Borden and Campbell Soup provided all the group's gain. Swift, Wilson and General Mills were almost unchanged. Armour declined.

Meanwhile, each of the ten food chains gained substantially — six of them more than 50% each: Kroger,

Top 10 Advertisers Bet

Big national advertisers would seem to be going all out to support their brands. In just eight space and time media in 1959, the average expenditure among the top 100 was \$16.9 million; and the median, \$10.4 million. Combined eight-media expenditures of the 100 reached a record \$1,689,900,000.

In the last decade, in fact, expenditures of all national advertisers for their brands expanded nearly half again as fast as did those by all retail advertisers for their stores — and brands.

Advertising agent Leo Burnett reported to Food Business that in the 1949-58 decade, while "local" advertising was rising from \$2.2 billion to \$3.9 billion (or 77%), "national" advertising pushed ahead from \$5.2 billion to \$10.2 billion (or 96%).

Burnett predicted that, of a total \$20-billion advertising tab in 1968, \$13.25 billion would be spent for "national" and \$6.9 billion for "local" advertising.

But increasingly the advertising investments even of the biggest national advertisers are being diluted — and jeopardized — by their manufacture for others' labels.

National Tea, Food Fair, Winn-Dixie, Grand Union and Jewel.

Progressive Grocer finds that "in ten of the 12 largest food chains, private brands now account for 10% of the total volume and 15% of the grocery volume—excluding meats and produce." The Wall Street Journal points out that "the four largest food chains — A&P, Safeway, Kroger and American — not only are the largest private-brand promoters but have the largest expansion plans for them."

One study now being made will show the big chains' private-brand share in groceries at 20%.

No grocery chain is yet national. Only a few other chains—among them Sears, Ward, Penney and Woolworth—can claim to be. But on the other hand, it is estimated that only 5% of all advertised brands have "really national distribution."

Among the manufacturers who are national, says E. B. Weiss of Doyle Dane Bernbach advertising agency (in a study titled "The Coming Battle with the Giant Retailers' Advertised Brands"), "at least half turn out special labels for distributors. Some of them devote 40% or more of total output to distributor-controlled brands."

Excluding the motorcar, soft drink, cigarette and beer companies, the service and supplier companies, and the Florida group, 68 among the 100 top advertisers may be said to be "exposed to temptations" to sell for others' labels.

The 68 include 21 in foods; 22 in drugs, toiletries and cleansers; seven oil companies; four in liquor; three each in rubber and electric products; two in confections, and six miscellaneous.

SM wrote to the presidents of these 68 companies to ask:

"1. What percentage of your company's total dollar sales volume is now sold to customers for their labels?"

"2. What was your company's ratio for others' labels five- and 15-years ago?"

"3. In the next five years do you expect your company to sell more or less of your dollar total for others' labels?"

The number of replies was relatively small. For the most part they came from manufacturers that concentrate exclusively or predominantly on their own national brands.

In Foods:

Presidents William B. (Bev) Murphy of Campbell Soup and Frank R. Armour, Jr., of Heinz gave an emphatic "No" or zero to all three questions. So did Nile E. Cave, v-p of National Biscuit, who added: "At the present time we do not anticipate doing any private-label manufacturing."

But it might be noted that conditions may alter even the strongest policies. During the depressed '30's Nabisco was said to be sorely tempted. . . . Until now Campbell

has managed to hold 65% of the canned soup business, under its own brand, against all comers. Soon, however, Campbell's dominance will be challenged for the first time by a major chain's brand.

Some repliers report an infinitesimal share of total for private brands: Robert H. Bennett, v-p of General Foods, shows that "manufacture for private labeling is . . . an extremely small part of our business and is likely to diminish. A good share of even this small business results from agreements that had been made by companies we acquired."

(Last year, "to meet increased private-label competition," GF stepped up its combined expenditures in the eight media by 43% to \$61 million.)

Charles H. Bell, president, replies that "less than 1%" of General Mills' business today derives from others' labels. Though twice as high 15 years ago, the current ratio has held over the past five years. Bell foresees "no material change" in this percentage by 1965.

An executive of Swift & Co. says that "any percentage figures that could be developed for our business would not be meaningful, because of the tremendous volume of products handled and the negligible percentage produced for customers' labels. In actual pounds, however, the private-label product may seem large."

Checks made for SM by food-distribution specialists reveal that leading food advertisers which do a "substantial" part (often more than 15%) of their dollar volume for others' labels include, in cereal products, Kellogg, Quaker Oats, Pillsbury, Ralston Purina, and Continental Baking; National Dairy (including Kraft), Borden and Carnation Milk; Standard Brands, Armour, Nestlé and Beech-Nut Life Savers.

Corn Products tells SM that on the private-labeling count it is "99.44% pure." But "others' labels" can include business with other national advertisers. Corn Products makes corn flakes for Kellogg in Europe.

Three big fruit and vegetable canners which did not quite make the 100 top advertisers' list — Del Monte, Hunt and Libby — all are reported as producing for chain-store labels.

In Drugs, Soaps and Toiletries:

Paul R. Parrette, trade relations manager, replies for H. J. Morgens, president of Procter & Gamble, that until Grocery Manufacturers of America (P&G and 50 others among the top 100 are GMA members) has completed a pending study of "distributor brands and certain trade practices,"

\$1.7 Billion on Brands

More than half—or \$992.4 million—of the nearly \$1.7-billion total of last year's leading 100 was spent by the top 25. In this select group are the big three in motor cars, the big six in cigarettes and the Bell System—all of which concentrate on their own national brands. So do such leaders as Bristol-Myers, Gillette, Campbell Soup and Miles Laboratories. But all of the 11 others in the first 25 are said to have at least some customers'-labels business: P&G, General Foods, Lever, American Home, Colgate, GE, General Mills, Seagram, Sterling Drug, National Dairy and Kellogg.

Among the second 25—spending a combined \$343.6 million in the eight media—at least 13 do some private labeling.

Among the third 25—spending \$211.6 million—at least 15 do some.

Among the fourth 25 (\$142.3 million) the private-label promoters number at least 12.

Thus more than half of the top 100 national advertisers—with combined expenditures for their brands of more than \$700 million—dissipate much of their effort by "creating" customers' brands to compete with their own.



The 'Secret' Hand in Private Brands

P&G prefers not to talk on this subject.

"It is our feeling," Parrette adds, "that a great deal of the information at present floating around [on private brands] is pretty much guesswork or information prejudiced in one way or another."

Nevertheless, SM's checkers report, all of "soap's" big three—P&G, Lever Brothers and Colgate-Palmolive—produce for others' labels. P&G is said to do so through a subsidiary, Hewitt Soap Co.

Yet, except for the big three in motorcars, these three spend more money to promote their own brands than do the leaders of any other industry. Their combined expenditures in the eight media rose last year from \$198.3 million to \$212 million.

Among others which, to a greater or lesser extent are reported to help the others' labels cause are American Home Products, No. 6 in advertiser ranking (\$52.1 million in the eight media); Sterling Drug (\$22 million); Carter Products and S. C. Johnson (each \$9.3 million); Johnson & Johnson (\$8.1 million); and Helene Curtis Industries and Texize Chemicals.

The virgins in the drug group which do not bestow their favors on

others' brands seem to be Bristol-Myers, Gillette, Miles Labs and Revlon.

Equally emphatic about their exclusive own-national-brand operations are two big paper-product advertisers: Scott (\$8.3 million) and Kimberly-Clark (\$6.9 million). A Kimberly-Clark executive "zeros" all of SM's questions on past, present and future efforts for others' brands.

Among Oil Refiners:

Replies here probably refer to consumer products. But all the big oil companies today also are engaged in petro-chemicals—materials for others' products. Also, some of them make such relatively minor products as insecticides for customers to brand.

Two of the biggest refiners, however, tell SM that they confine their output entirely to their own brands. These two also happen to come close to having 48-state distribution.

J. W. Foley, president of Texaco (\$11.9 million in the eight media), puts down zeros after our questions, with the comment: "It is our policy to sell under our own brands." This is also emphasized by A. L. Nickerson, president of Socony Mobil (\$5.8 million).

But among eight big oil advertisers (with \$22-billion combined sales) the others do encourage private labeling on combined sales of hundreds of millions of dollars. For instance, L. H. Austin, director of business analysis and market research of Gulf Oil Corp. (\$5.6 million in the eight media), says that its business for others' labels is "7% of our total dollar volume." In Gulf's case, in 1959 the 7% came to \$189 million.

Five years ago 10% of Gulf's total volume (or \$170 million) was for "others," and 15 years ago the ratio was 15%. By 1965 the company expects to cut the current 7%.

Though Sun Oil Co. failed to make the top 100 advertiser list in 1959, it still advertises in the eight media at a \$5-million-plus rate. A Sunoco executive reports that sales for others' brands "approximate 17% of our total on a [physical] volume basis." Thus, of the 1959 total of \$736 million, at least \$125 million went into customer brands.

Both big Standard Oil of New Jersey—largest of all manufacturers in assets—and Standard Oil of Indiana are reported to do substantial others' labels business. Information on two other top advertising oil refiners—Shell and Sinclair—is not available.

In Tires:

The three leading tire advertisers are Goodyear, Firestone and Goodrich. To support their national brands they spent a combined \$28.2 million in the eight media last year.

Goodyear emphasizes to SM that it "concentrates 100% on our own brands." But an exception to this rule may be Goodyear's subsidiary,

National Brands Gain, MRCA Consumers Report

In the last five years, nationally advertised brands increased their share of "commodity" volume in 11 classifications, reduced their share in six, and were unchanged in four, Market Research Corp. of America tells SM. The findings were made in "diary" reports from MRCA's continuing panel of 6,000 families.

Between 1955 and 1960, national brands gained in canned spaghetti with meat, from 85% to 94% of commodity total; in frosting mixes, from 84% to 90%; instant pudding, 84 to 91%; paper towels, 83 to 93%; cold cereals, 91% to 97%; dentifrices, 75% to 86%; regular pudding, 79% to 82%; syrup, 70% to 76%; tuna, 49% to 57%; liquid starch, 50% to 54%, and regular coffee, 32% to 40%.

On the other hand, national brands lost ground in

spaghetti sauce, from 77% to 68%; instant coffee, 88% to 68%; frozen meat pies, 74% to 61%; canned pineapple, 62% to 56%; margarine, 42% to 38%, and frozen orange concentrate, from 35% to 24%.

The national brand share was unchanged in dry starch, 95%; in toilet soap, 88%; cake mixes, 91%, and toilet tissue, 74%.

In nine commodities, MRCA finds, there are more major contenders today than there were in 1955; in two—spaghetti with meat and spaghetti sauce—there are fewer, and in ten the number is unchanged.

More contenders were reported in paper towels, cold cereals, dentifrices, syrup, tuna, frozen meat pies, canned pineapple, margarine and frozen orange concentrate.

Kelly-Springfield. Firestone is reported to make some products for others' labels. In addition to juggling such a variety of brands as Hood, Miller, Diamond and Brunswick, Goodrich makes Gulf tires for sale through that oil company's stations.

In tires and some other industries, however, middle-size manufacturers are the primary suppliers of private brands. Mansfield is said to specialize in others' labels. Several makers, including Armstrong, produce for Sears. Seiberling has formed a subsidiary to make and sell to independent dealers a low-price private-label tire. Mohawk does some others' labels business.

Meanwhile, however, the five biggest rubber companies (combined volume \$5.2 billion) are strengthening their national brands through their own stores. In addition to many thousands of other outlets, Firestone now controls 785 stores. Goodyear has 620; Goodrich, 485; General, about 125. U.S. Rubber is now launching a chain of "TBA super markets" (tires, batteries, accessories), and expects to have 200 of them within five years.

In Chemicals:

In contrast with the top advertisers of some other industries, the advertising-to-sales ratio of Du Pont, Union Carbide and American Cyanamid is small — \$27.5 million in the eight media, combined, on \$3-billion sales.

These and other big chemical producers have become packagers and merchandisers only in comparatively recent years. The bulk of their business still is literally bulk — in tank cars and trainloads. In addition to being one another's best customers, they provide chemicals and plastics for thousands of manufacturers and other customers. But some of their products are marketed by others, under their labels, largely "as is."

A Du Pont executive tells SM that "we are not in a position to know what volume is sold to customers who package the products and market them under their own labels."

Eastman Kodak says that it has long confined its business to its own brands. But an affiliate, Tennessee Eastman, is a "bulk" supplier. On its own, Eastman spent \$14.4 million in eight media in 1959 to support \$914-million sales.

In Electrical Products:

GE boasts: (1) That more money is spent for its trade-mark than for any other brand in the world (Chevrolet is second), and (2) that everything it makes bears the GE symbol. (With

tens of thousands of products, however, some may be forgotten.)

On the other hand, Westinghouse admits to a substantial appliance volume for Montgomery Ward and is reported to private-label lamp bulbs for Sears. SM sources also check RCA as a private-label-provider.

Among middle-size electric product makers, Norge has admitted to making iceboxes for Macy's; Whirlpool has long obtained half or more of its total business from Sears.

In Liquor:

The bigger booze boys have so many brands of their own to juggle

that they haven't much time to court others. Just four distillers put a combined \$65.9 million into the listed media. Predominantly, they concentrated in five print media. But through wine, chemical and/or pharmaceutical divisions two of them — Schenley and particularly Seagram — managed to spread their word around on the air.

Seagram spent more than 40% of all the advertising dollars of the big four.

In distilled spirits, National Distillers' others'-label ratio is said to be virtually zero. (Its Bellows division

(continued on page 152)

More Private Labels Planned by Chains

In a report to American Marketing Assn. a year ago, Richard G. Zimmerman of Super Market Merchandising said that 84% of super markets surveyed then carried private brands. Seventy-one percent of them did so to a "considerable" extent and 13% to a "limited" extent.

Among all the stores surveyed, the private-label share of total grocery sales doubled from 5% in 1953 to 10.7% in 1958.

Fifty-nine percent of all these stores expected to expand the number of private-label items; 37% would keep about the same number, and only 3% would reduce them.

In a current survey among 125 top grocery chain buyers or merchandisers in 73 markets across the country, Selling Research, Inc., New York, found that the "strongest" private labels are on canned fruit and vegetables, reported by 48.8% of those interviewed.

Next in rank were coffee, 25.6%; dairy products, 24.8%; bakery goods, 22.4%; soaps and detergents, 20.8%; salad dressing, 13.6%; frozen foods, 12%; evaporated milk, 11.2%; cooking oils and shortenings, 10.4%; staples, 9.6%; ice cream, 8%; tea, 7.2%; fruit juice, 6.4%, and preserves, 5.6%.

Seventeen other types of products were reported, ranging from candy, nuts and peanut butter (mentioned by 4.8%), down to soft drinks, potato chips, beer, dog food (mentioned by 0.8%). Two types of products, hosiery and drugs, were not then private-labeled in any of the stores surveyed.

To the question, "In what other lines are you, right now, considering the addition of private labels?" Selling Research says, only "24 positive answers were obtained." Most frequently specified were soaps and detergents, by 25%; canned vegetables and fruit, by 16.7%, and dairy products and bleach, each 12.5%.

One-third of these 24 repliers were "right now" considering adding private-label instant coffee, salad dressing, staples, hosiery, potato chips and peanut butter. One-sixth of them would add private-label instant tea, cooking oil and shortening, honey, apple sauce, cake mixes, fruit juice, canned or packaged meat, paper goods, liquid starches, dog food, soft drinks and drugs.

Several of them said: "All lines possible."

Of the 24 repliers planning immediate expansion of private labels, 16 said they would not, and eight said they would, "reduce the number of competing national brands."

Studebaker's Shop-A-Thon: Hoopla, Prizes And Sales



ANYONE FOR SILVER DOLLARS at three cents each? Drawings make it possible. Stores in shopping centers, where Lark's show is playing, tie in with silver dollar sales bee.

40 Sales Management September 16, 1960

IN MIAMI it sold 50 cars. . . . In Kalamazoo it opened the famous mall. . . . In city after city it garnered as many as 3,000 new prospects for dealers.

"It" is an old idea brought up to date with drama and excitement—a demonstration that surrounds the product with color and audience participation. In Studebaker's case the show is called the Lark Shop-A-Thon.

Shop-A-Thons move from one city's shopping center to the next. They run a week, are emceed by the indefatigable John Reed King, the well-known radio and TV personality. King and the Shop-A-Thon creator, Jules Evan Baker, who own and direct the Lark Shop-A-Thon, tested their first show in the Lennox Square Shopping Center at Atlanta, have been refining it ever since. With each performance the production becomes surer, more elaborate.

► A typical Shop-A-Thon gets off the ground with a motorcade of new Larks, supplied by local dealers, which tours the surrounding area after a newspaper and radio send-off by the dealers. The cavalcade rolls into the shopping center with police escort and the production is on with a frantic start. There are fashion shows, produced in co-operation with local shops; sample rides in a Lark; "Tankfull" runs with prizes to guessers who come closest to estimating how long it will take the Lark to run out of gas. There are such gimmicks as silver dollars on sale for three cents, \$100 shopping sprees for "happy looking" couples. A \$20 bill is awarded to the person who, after studying the Lark price tags, remembers all the facts and figures.

The Shop-A-Thon is actually a showroom-away-from-home for local Lark dealers. With as many as 30,000



HAPPIEST, and why not? They won a TV set at a recent Lark Shop-A-Thon just for looking happy! John Reed King, partner in the Shop-A-Thon productions, dreams up such gimmicks to keep the crowds coming, and also garner prospects.



FASHION GAME—Nothing like the swish of tulle to bring out the ladies—seems to bring the guys, too. Feature of traditional Lark fashion show is a quiz game, based on value of model's clothes. Styles are related to various Lark models and colors.

people each day to study the cars while they watch the show, dealers have a field day. And King keeps the pot boiling by getting the audience into Lark cars by means of the Lark quiz phones in each automobile. Prizes are also given to alert persons who are able to digest the sales message they get from the quiz phones. In the meantime, King runs closed-circuit TV shows ("See yourself on TV!"), features audience participation stunts.

► Each day the show is different. One day there will be spot radio broadcasts by local stations which provide clues for finding the Lucky Lark shopper. When the amateur detectives turn up at the shopping center with their children, there is a real haystack with hidden prizes to keep the kids occupied. Dance contests, traffic safety demonstrations—using Larks—keep the crowds coming.

King and Baker are experts at improvisation. They have given prizes to the owner of the oldest Studebaker, to the Studebaker owner whose car has the most unusual gadgets, to the owner of the Studebaker with the greatest mileage on its speedometer.

Lark, an early entry in the compact car sweepstakes, has been buffeted by the Big Three's entries. This year, Lark lost some distance. The Shop-A-Thon has been a partial answer to the company's problem of how to fill the widening gap.

This summer the Shop-A-Thon has played Pittsburgh, Cleveland, Toledo, Detroit, Indianapolis, Cincinnati, St. Louis and several other cities. Everywhere Lark dealers have watched their sales climb.

"And why not?" asks King. "People love a show. We make examining a Lark not just painless but downright fun." ♦



OVER TO YOU: To get prospects into a Lark, a quiz game. Visitor must sit in car, listen to Lark statistics over phone. People with total recall win valuable prizes for publicity.



MORE PRODUCTS, BIGGER MARKETS
than ever, demand new attention to sales organization—if a top seller is to maintain expected high efficiency against today's increasing competition.

Lipton Revamps Field Sales Structure

In a move to decentralize sales supervision—and maintain top spot in growing markets, Lipton quarters the country, names four regional sales managers. But they'll have sales responsibility only—company headquarters still holds total marketing reins.

The new marketing pattern for Thomas J. Lipton, Inc., has two primary functions:

1. To fix clearly defined lines of responsibility.

2. To free sales personnel of office detail (traffic, warehousing, billing, credit, etc.) so they may devote more time to productive selling in the field.

Four new regional sales areas—Eastern, Central, Southern, Western—each headed by a regional sales manager, will assist administratively in accomplishing these goals.

The influences that brought about the marketing change, President W. Gardner Barker explains, are:

- Company growth during the last ten years and the challenge of meeting the new demand for Lipton products with the same efficiency which customers have come to expect.

- New markets which have sprung up with population shifts, and old ones which have expanded faster than others.

- Hotter competition in the food industry with stepped-up product innovation, superior advertising and promotion.

Company Growth

Lipton ranks No. 1 in the tea field.

In the soup industry, it is No. 1 in dry soup mixes, and No. 2 in the soup industry generally. In the salad dressing field, it ranks No. 2.

In ten years sales have doubled. Every year since 1950 they have been increasingly larger than the year before. In 1950, net sales before dis-



"In one of the most phenomenal periods of sales growth in our history . . . we [must meet] not only today's increased demands, but tomorrow's."

—W. Gardner Barker,
President, Thomas J. Lipton, Inc.

count were \$54.4 million. By the end of 1959, they had reached \$115.8 million. And the number of men selling Lipton products throughout the U. S. has increased: Twenty years ago there were 277 salesmen; today there are 420, a 50% increase.

Since 1950, to meet competition, the company has added many new products, including the Wish-Bone salad dressings line (French, de luxe French, Italian, cheese and Russian), and three new soup mixes (green pea, onion, and beef noodle with vegetables). The Flo-Thru tea bag and Lipton instant tea were also developed and put on the market during the last decade.

"We have seen during the past ten years," says Barker, "one of the most phenomenal periods of sales growth in the history of the company. This period of growth, however, has brought with it some new problems and new challenges, foremost of which is the challenge of meeting the new demand for our products with the same efficiency which customers have come to expect of Lipton. We have the problem of meeting not only today's increased demands, but tomorrow's as well."

"The streamlining of our field sales organization with regional sales managers will add cohesion and flexibility to our selling, in both planning and operational stages; provide improved service to wholesalers and retailers, and assure deserving salesmen of receiving full credit for their efforts—with opportunities for advancement."

Before any changes in the field sales organization were recommended,

Dollar for dollar in the first half of '60,
the Post had the greatest gain of any magazine...

**a cool
\$9,462,691**



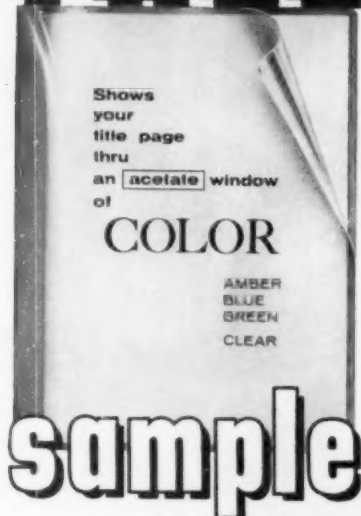
Magazines are sizzling, as more and more advertisers say, "magazines first—because magazines last." Hottest of all (cold cash talks!) is The Saturday Evening Post. ■ The Post's gain for the first 26 issues was the biggest of all magazines—nearly \$9½ million—a blazing 20.2% increase over last year. The other big weekly's 26-issue gain was \$6,961,549—a 10.7% increase.* ■ For the same 26 issues, the Post is up 128 pages—a gain of 9.1% over last year. The other weekly is up 12 pages for this 26-week period.* ■ Our love affair with readers is flaming, too... our circulation rate base zooms to 6,500,000 in early 1961! ■ Hot enough for you? It is if you're in the Post!

*SOURCE: PIB

READERS TURN AND RETURN TO YOUR AD PAGE IN THE POST—THE HI-FREQUENCY WEEKLY!



FREE



OF THE
NEW



VISI/BELLE Report Cover

An impressive, influential way to present:

advertising programs
leave-behind presentations
training manuals
departmental reports
publicity releases
campaign summaries
new business proposals
direct mail

VPD products are sold
by stationers everywhere.

For a **FREE**
VPD VISI/BELLE
write, on your
business letterhead, to:
Joshua Meier Company, Inc. Dept. SM
Mfrs. of VPD Binders and
Visual Presentation Products
601 W. 26th Street, New York 1, New York

a detailed study of organizational structure was undertaken by Lipton personnel in an effort to place the company in a better competitive position. All of the ideas incorporated in the final plan originated from employees within the Lipton organization. After the key facts were presented, management evaluated the recommendations and put into effect those which it felt would be of most value to the company as a whole, to the salesmen and to the wholesalers and retailers.

The management setup in the home office in Hoboken, N. J., remains unchanged: M. A. Reilly, vice president of marketing, continues to be responsible for all marketing operations. H. L. Suttle continues as vice president in charge of sales, reporting to Reilly. W. F. McMahon continues as general sales manager, reporting to Suttle.

The Voice of the New RSMs

The responsibilities and objectives of the new regional sales managers are very strictly defined. Their voice will be loud in some respects; in others it will be silent:

- They will be autonomous to a large extent, but only insofar as sales of Lipton's products are concerned. Lipton management is emphatic in putting the accent on sales. They will have top authority in their respective regions so far as sales operations are concerned, and will be responsible only to General Sales Manager McMahon.
- They will act as consultants to the company, and will be the source of a continuous flow of field sales information from which top management will determine sales policies.
- They will make frequent trips to Hoboken headquarters to keep top management fully informed of sales progress in their respective regions. There is no set scheduling for periodic meetings of this nature.
- They will direct Lipton salesmen in assisting distributors and retailers in increasing the flow of Lipton products and accelerating turnover. In retail grocery stores, for example, this means planning and erecting point-of-purchase displays, arranging for cooperative advertising support, and timing these efforts with national advertising so that maximum benefits will be derived.
- They will coordinate selling at all times with the Lipton philosophy for seeing and fulfilling America's appetite for more good things to eat. Lipton management recognizes the importance of developing new prod-

ucts which not only meet these trends, but precede them. The regional sales managers' responsibility is to make it easier to place the many new Lipton products on retail shelves.

Where the RSM Voice Is Silent

Contrary to the trend in many companies, Lipton holds its regional sales managers strictly to sales operations. For example, they will have no voice in any decisions that have to do with advertising. In this Lipton management is adamant:

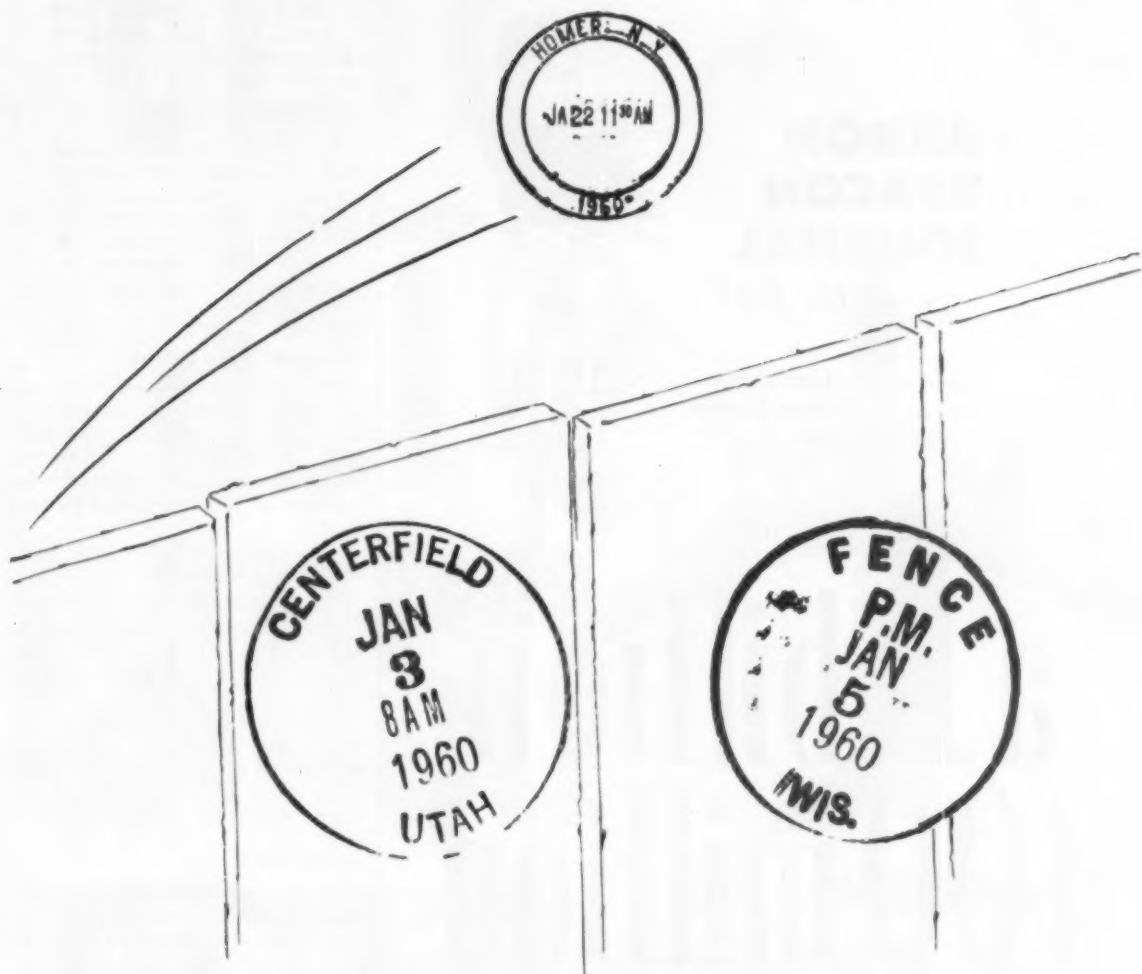
- The regional sales managers will not participate in management policy meetings, but their presence, Barker points out, will be felt by "remote control."
- They will not sit in on company advertising planning sessions. Neither will they have anything to say about advertising budgets, media selection or advertising themes for their sales regions. The advertising phase for each region will be formulated by executive management in Hoboken, together with the company's advertising agencies: Sullivan, Stauffer, Colwell & Bayles, Inc., for tea products; Young & Rubicam, Inc., for soup products; Edward H. Weiss and Co., for Wish-Bone salad dressings.

Lipton management feels that the advertising function is best taken care of by advertising experts who will carefully analyze information sent in from the field by the regional sales managers. The only exception might be when a regional sales manager sits in on a meeting called to solve a particularly difficult sales problem peculiar to his region.

So far as the practice of media salesmen's making presentations to regional sales managers, Lipton executives will not encourage it; neither will they stop it, which they feel would be difficult. They prefer to have all presentations made at headquarters.

- The regional sales manager will not be allowed to pressure management into changing the over-all advertising program, such as changing to or from newspapers, spot television, national magazines, outdoor, etc. Each of the Lipton products has its own executive whose title is product manager. He is responsible for the marketing of his product, including its research, advertising, trade relations, packaging, pricing, promotion, sales and quotas, and the formulas which make up the product. He is kept informed of the thinking of each regional sales manager in regard to sales of the product—but the product manager has the last word in all ad-

The postmarks are actual reproductions



Grit goes to bat for you in 16,000 small towns to help provide balanced national coverage

In major-league cities, the metropolitan-minded mass magazines give you solid coverage. But in 16,000 small towns coast to coast it's a different story. Here the mass magazines thin out . . . and Grit fills in to provide *balanced national coverage*. Keep Grit on your schedule this season. In terms of total marketing success, you can't get to first base without it.



Grit Publishing Co., Williamsport, Pa. • Represented by Sclero, Meeker & Scott, Inc. in New York, Chicago, Detroit, Philadelphia; and by Doyle & Hawley, Inc. in Los Angeles and San Francisco

It's true that people make markets, BUT
they do not become customers
until they are **REACHED** and **SOLD**

in **AKRON**
only the **BEACON**
JOURNAL
can do the job!

Here are the facts about
the Akron Beacon Journal
Area of Influence.



a **1** billion
400 million*
DOLLAR MARKET

POPULATION ... 745,660
FAMILIES 220,734

TOTAL BEACON JOURNAL CIRCULATION:

DAILY	SUNDAY
165,373	175,773

Plan your sales promotions in Akron's **ONLY** daily and
Sunday newspaper and be sure your messages go home. It
costs but 40c per line with spot or full ROP color available
in all issues. **ROP Color available Daily and Sunday**

*Source 1959 Sales Management Survey of Buying Power.

AKRON BEACON JOURNAL

"Ohio's Most Complete Newspaper"

JOHN S. KNIGHT, Publisher

Represented by Story, Brooks & Finley

vertising recommendations presented
to management.

Lipton has been conservative in
adopting new advertising tenets. For
example, it has not been interested
in the special advertising packages,
split-runs, etc., now offered by na-
tional media. However, a spokesman
points out that with its new regional
sales setup and its product planning
and selling methods extended full
scale, it may consider regional ad-
vertising editions of the various media.
At present Lipton's answer is "no."

Lipton's current advertising budget
is well over \$10 million, with tea
products heavily advertised in tele-
vision, and soups and salad dressings
in print media.

Divisional Sales Offices

Divisional sales offices in the new
sales structure will be increased from
ten to 16. The divisional sales man-
agers in charge of these offices will
report directly to the regional sales
manager in the area in which they are
located.

Marketing Managers

Each divisional office will have a
staff of market managers—assigned to
specific locations—who will report
directly to their divisional manager.
Specifically, the job of the marketing
manager will be to supervise a staff
of salesmen, to call on customers and
to promote the sale of Lipton prod-
ucts in the cities for which he is
responsible.

Distribution

Dovetailing with the new regional
sales setup is a streamlined distribu-
tion system. It is designed to ensure
product freshness and availability,
and help management minimize ris-
ing distribution costs. Each regional
sales office has a distribution manager
who is responsible for allocating in-
coming orders and processing them
direct to the warehouse nearest the
customers. He is also charged with
the maintenance of warehouse in-
ventories.

Distribution planning is closely co-
ordinated with production, advertis-
ing, traffic and sales planning to en-
sure availability of Lipton products
when and where customers want
them. ♦ **AE**

► For further reading on respon-
sibilities of regional sales managers,
see reprint #403, "The Regional Sales
Manager: Loud, New Voice in Ad-
vertising," SM, August 21, 1959 (25
cents). Write: Readers' Service, Sales
Management, 630 Third Ave., New
York 17, N. Y.

BEST JET CARGO OFFER YET



 **SUPERCARGO**

**daily nonstop service
New York to Frankfurt**

- Also All-Cargo nonstop flights from New York to Frankfurt.
- Direct jet cargo service from San Francisco, Chicago, Montreal to Paris, Frankfurt.
- Immediate connections to All Europe, Near, Middle and Far East, Africa.
- Expert handling, lowest possible rates.

Call your agent or




LUFTHANSA
GERMAN AIRLINES

AIR CARGO DIVISION—410 PARK AVENUE, NEW YORK 22, PL. 9-5522
OFFICES IN PRINCIPAL CITIES OF U.S. AND CANADA

Sales Management September 16, 1960



REPEAT GREAT GREAT GREAT



Ask anyone,
anyone
you're trying
to sell in the
aerospace market,
what publication
he reads and
respects most.

A powerful editorial force is a powerful selling force.

Aviation Week
and Space Technology

A McGraw-Hill Publication, 330 West 42nd St., New York 36, N.Y.

ABC PAID CIRCULATION 78,983

Project Mercury—McDonnell Aircraft



GREAT GREAT GREAT GREAT
 fabulous fabulous fabulous fabulous
 MORE MORE MORE MORE
 HIGHEST HIGHEST HIGHEST HIGHEST
 tops tops tops tops tops tops
 BEST BEST BEST BEST BEST BEST
 TERRIFIC TERRIFIC TERRIFIC TERRIFIC
 GIGANTIC GIGANTIC GIGANTIC GIGANTIC
 leader leader leader leader
 TALLER TALLER TALLER TALLER

$$E=mc^2$$

(Just a matter of Relativity)

WBTV-CHARLOTTE IS FIRST TV MARKET IN ENTIRE SOUTHEAST WITH 597,300 TV HOMES*

WBTV DELIVERS 43% MORE TELEVISION HOMES THAN CHARLOTTE STATION "B"***

*Television Magazine - July 1960

**NCS #3



JEFFERSON STANDARD BROADCASTING COMPANY

WBTV

CHANNEL 3  CHARLOTTE

Represented nationally by CBS Television Spot Sales

LET'S COMPARE MARKETS!

WBTV — CHARLOTTE	597,300
ATLANTA	578,800
MIAMI	515,400
MEMPHIS	488,300
LOUISVILLE	460,600
BIRMINGHAM	431,600
NEW ORLEANS	386,300
NASHVILLE	346,800
NORFOLK-PORTSMOUTH	342,400
RICHMOND	275,400

TRAVEL

fleet decisions
get tougher to make

Keeping the sales force on wheels—at minimum cost—gets tougher and tougher. . . . For most companies, salesmen's mileage is running higher this year. Other costs are up too. While sales may have risen, profits are down for many.

Mileage driven by salesmen on company business is running at least 10% higher than last year. Average salesman's mileage for first six months of '60 was 1,991 miles per month, compared with 1,801 miles in same period of '59. (Figures come from Wheels, Inc., big Chicago-based auto fleet leaser.)

Compact cars offer ways to trim travel costs per mile. There'll be more than ten compact models on the market this fall; four new ones will be "luxury" types. Some sales execs already see them as an answer to dual problem of how to shave travel costs without deflating salesmen's morale. . . . Yet, with little historical data available on gas consumption, depreciation, other costs, it's a tough decision to make.

COMPUTERS

mathematical marketing
comes a step nearer

Mathematical marketing is coming a step nearer, thanks to four major computer makers. The day is almost here when a marketing exec, aided by a technician, can tell a computer what to do in simple English key words (instead of present complicated numerical jargon understood only by operations researchers). . . . RCA claims to be first to succeed in developing a "common business-oriented language system" for computers. Remington Rand, Sylvania, IBM insist they're not far behind.

Significance: This could eventually eliminate operations researchers from involved process of using computers-plus-mathematical-analysis as tools in marketing decision making. Marketing execs could communicate with computers with less interference than ever before. Result: Less chance of destroying meaning and content of a complicated sales problem fed into the machines. . . . (For more, see SM's feature, "What's the Status of Mathematical Marketing?" July 1, 1960, page 25.)

CO-OP ADS

Congress passes
5% tax exemption

Co-op ad payments will be exempted from excise taxes Oct. 1, when new law goes into effect. . . . Congress did the deed on final day of its session by passing Mills-Mason bill. It affects all products subject to excise taxes; is significant because it reverses an Internal Revenue 1958 ruling.

Co-op will probably get a real boost from the new law. But it has limitations: (1) Only 5% of manufacturer's price may be exempted from excise taxes as co-op ad payment; (2) only allowances for ads in newspapers, radio, TV are affected. . . . A more controversial pro-advertising bill, the Boggs ad deductibility proposal, died for lack of support. It is likely to be revived in revised form during next Congress.

FTC

imminent cleanups:

1. guarantees

We hesitate to cry wolf, but . . . it's abundantly clear that the FTC is prepping for new "crackdowns" on: (1) advertised guarantees; (2) buyers who demand special co-op ad deals.

False advertising of product guarantees is sure to be cleaned up by FTC. . . . The Commission is hot under the collar over this one. Its "Guide against Deceptive Advertising of Guarantees" was issued months ago—and largely ignored. Now, in putting out a rare second warning, FTC declares: "Too little time or too little space is no excuse for falsely advertising the guarantee on a product. Not only is it no excuse, it is an invitation to adversary action by the FTC."

Specifically cited by FTC: Those spot commercials on radio and TV that permit time for making guarantee claims but not enough for explaining terms that limit guarantees. . . . Suggestion: If you're advertising guarantees, check quickly to be sure you're safe. "Guarantee Guides" are still in print; write to Bureau of Consultation, FTC, Washington, D. C.

2. co-op ad deals

Look for FTC to go after more big retailers suspected of demanding special co-op ad deals from suppliers. . . . FTC recently ruled, 4-1, in case against Grand Union, that its broad powers can be used to halt the knowing inducement of discriminatory ad allowances—even though this is not specifically prohibited in Robinson-Patman Act. (While FTC had previously issued a handful of similar complaints against big retailers, this is the first case to get formal ruling.)

In Grand Union case, FTC ruled that the 340-store food chain induced suppliers to hand over promotional allowances that it knew were not being offered to its competitors. The deal: Each of 30 firms paid \$1,000 a month for advertising on an illuminated "spectacular" sign in New York's Times Square. Some suppliers were assured special in-store promotions; others got exclusive or preferential shelf treatment.

Grand Union is appealing to the courts . . . but this decision is sure to kindle an immediate fire under FTC investigators. They have long itched to nail that special brand of mass retailer that is often the first and real cause of some of the biggest, most unfair co-op ad deals of all.

MISCELLANY

news and ideas of marketing note

A national educational program for auto salesmen is being drafted by National Automobile Dealers Assn. Cooperation of manufacturers will be sought. Aim is to attract and hold competent young men in auto sales ranks; to raise car selling to professional level. . . . Federal, state and local taxes now top \$100 billion a year. . . . There are more than 58 1/2 million housing units in the U.S. today. . . . The 32nd annual Boston Conference on Distribution will be held Oct. 17-18 at Statler-Hilton Hotel, Boston. Address inquiries to Daniel Bloomfield, Soldiers Field, Boston.

The most
important market ...
the market you can't
afford to miss

Advertisers have no easy time of it when it comes to selecting magazines within given advertising budgets. Just as pressing and important as what to choose is what to leave out. Perhaps more important.

Not too many years ago the problem appeared simple and the solution, unsophisticated. Most advertisers chose the magazines with the largest circulations.

Today, of course, effective advertising and efficient budgeting demand that media be used as precise marketing tools. And the gauge in their selection is far more qualitative. This explains why, for example, in the past decade the news magazines have become the consistent spearhead of major advertising campaigns ... notwithstanding numerical circulation comparisons with mass media.

It also explains why, among news magazines themselves, more and more advertisers have recognized "U.S. News & World Report" as ...

The most important magazine of all



No other magazine is so thoroughly read by so many important people motivated by one vital need—essential, useful news. No other magazine meets this need by concentrating, every week, exclusively on such news. The result: a highly nonduplicated audience of leaders in business, industry, government, the professions—and the community.

These are subscribers with a higher average family income than that of any other news magazine, or any magazine with more than one million circulation. For advertisers, this means "U.S. News & World Report" covers a larger number of actual customers and prospects than magazines with even larger circulations. Clearly, here is one market no advertiser wants to miss.

Ask your advertising agency for the documented facts about this important magazine ... from your standpoint, very likely the most important magazine of all!

U.S. NEWS & WORLD REPORT

America's Class News Magazine

Now more than **1,150,000** net paid circulation

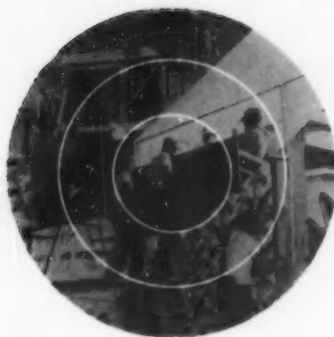
Advertising offices, 45 Rockefeller Plaza, New York 20, N. Y.
Other advertising offices in Boston, Philadelphia, Pittsburgh,
Cleveland, Detroit, Chicago, St. Louis, San Francisco,
Los Angeles, Washington and London.

Sales Management September 16, 1960 53

THE ONLY MAGAZINE EDITED EXCLUSIVELY FOR BUILDERS

Practical Builder





Building's most important buyers read Practical Builder

...and more than half of them read it exclusively!

Cold, hard statistics provide the evidence. Without PRACTICAL BUILDER you miss a big share of the light construction market! So thoroughly does PB hold the respect and confidence of its builder-subscribers (*the largest buying force covered by any builder publication*) that more than half of them (54.7%)—read PB EXCLUSIVELY!

The importance of this readership is underscored by what PB builder-readers did volume-wise in 1959: 799,632 housing starts valued at \$13.1 billion; 115,778 non-residential buildings valued at \$6.2 billion; 671,161 remodeling jobs valued at \$2.5 billion.

Moreover, 73.1% of PB's circulation do not read the second builder magazine—and these readers did a dollar volume of \$13.5 billion; 69.9% do not read the third builder magazine and their total business was \$13.3 billion.

Here then, is an area of huge market potential; an area within the reach of only one magazine . . . PRACTICAL BUILDER—the only magazine that covers 70% of the light construction industry. (*And a good share of it—exclusively!*)

Want the research evidence of these facts? Ask your PB representative for the "Continuing Study of Practical Builder Readers" by the Bureau of Building Marketing Research.

PRACTICAL BUILDER

A CAHNERS PUBLICATION • 5 SOUTH WABASH AVENUE • CHICAGO 3, ILLINOIS

JOSEPH CARL FOSTER

DYNAMARKETER

Molders' Molder Helps

By LAWRENCE M. HUGHES
Senior Editor

"What we give away is more valuable to our customers than the resins we sell. . . . We're problem solvers."



Customers to Shape and Sell

Leominster (pronounced Lemonster), Mass., is said to have cradled the U.S. plastics industry. For 41 years there Foster Grant Co. has been busy proving that Old New England still spawns its full share of American enterprise.

Indeed, President Joe Foster today is busier than ever proving to all within earshot and eyeshot that, by applying its knowledge of materials, molding and merchandising to their problems, Foster Grant will keep itself and its customers growing.

In addition to going on the road, here and abroad, for about 100 workdays a year, Joe has started to prove this "personally," in print. Foster Grant's current series of double-page ads in plastics publications is gutsy and challenging.

Three-fourths of each monthly spread pictures Joe proclaiming a major Foster Grant attribute. In words, in the remaining one-fourth, he brings services down to specific customer cases—in methods, costs and results.

The opening spread showed him speaking eloquently (hands upraised) of the company's wide experience and altruistic philosophy: "What we give away is more valuable to our customers than the resins we sell. . . . We're problem solvers."

Problems may range from matching colors fast and precisely to reducing cycling time by mold redesign or machine improvement, to helping a customer to get finished consumer articles costed, packed, displayed and sold.

► Joe is proud to hear Foster Grant called "the molders' molder." The company set the pace with such improvements as hydraulic and injection molding and lubricated plastics. At plants in Leominster, in Manchester, N.H., and Baton Rouge, La., and a forthcoming wholly owned operation near Zurich, Switzerland, a steady stream of customer and prospect visitors see literally the whole works: They see nine different plastic materials (of which Foster Grant makes four and buys five) being molded by four different injection methods, product controls, scrap handling, "automatic" fixtures, adaptations of machines for greater flexibility, and various other processes.

In the tool and die shop they see how Foster Grant builds its own machines and the parts for them. In the new "basic" research center at Leominster they can see chemists searching for the materials of tomorrow.

They go through Foster Grant's showroom. This company started out in 1919 to ornament women's hair. It still makes and sells a lot of combs—but no longer of celluloid. (Big Du Pont still sells combs, too.) Foster Grant still makes more sunglasses than anyone else. For a quarter-century it has sold them, under the Fosta and Grantly brands, through such organizations as Woolworth, Kresge and McKesson & Robbins. Super markets are growing FG customers.

For Gillette the company makes boxes and plastic dispensers, and through four decades it has molded such hair accessories as barrettes and curlers for H. Goodman & Sons, New York. In fact, this relationship of founder Samuel Foster and his son Joe with the Goodmans grew so close that Abraham and Jacob Goodman—respectively chairman and vice chairman of Foster Grant's board—together are the company's second-largest owner.

Other Foster Grant-fabricated items range from tumblers, toys and Toidey seats to polyethylene squeeze bottles and housewares.

Visitors meet its specialists in styling, marketing, display and packaging. "We watch the retail counter all the time," Joe Foster explains. "We detail wholesalers and stores. We see how others' products are being packaged and sold. . . . Over the years we've learned how to design and engineer to fit a price. This experience helps us to sell materials to molders. And when we can bring the molders here, it increases our sales power."

Finished-product fabricator customers don't seem to mind this "molder's" competition. Foster Grant tries to sell its own finished wares constructively: "We don't undersell them," Joe Foster emphasizes. "We strive to build products that strengthen them and widen the market."

► In the 18 years since Joe, now 56, succeeded his father as president, the company's sales have multiplied about 19 times, to \$38 million. In the first nine months of the current fiscal year, which will end on October 3, sales have risen about 24% and net profit, 44%, from the parallel period of fiscal 1959.

A year ago, for the first time, Foster Grant admitted a limited number (190,000 shares) of "public" owners. But though Joe cannot recall "a single red year," and though this year's earnings will be around \$2.4 million, only stock dividends are declared. "We continue," he says, "to plow back all earnings."

Today, the business is divided about evenly between "articles" and "materials." Despite the fact that in it Foster Grant competes against all the Big Eight of chemicals and a lot of middle-size and smaller producers, the "materials" part now expands faster.

The advertising account is handled by Donahue & Coe, Inc., New York. The Joe-Foster-in-person series, Joe points out, was their idea. At first he was doubtful. Joe is not exactly a blushing violet; in his Yankee way probably he has as much sense of Mission as, say, George Romney of American Motors or Jeno Paulucci of Chun King Foods, both of whom are busy personifying their products in print.

Yet Donahue & Coe is animating Joe in a very dominating way. In every plastics-publication ad the reader is told about "the world's largest plastics laboratory . . . backed by 41 years of molding know-how"; about Foster



to work in **IDAHO**

Why? Because Idaho's abundant recreational facilities and great outdoors provide workers with an ideal place to live and play . . . close to the job. Result; a more energetic, stable work force, minimum turnover and absenteeism. No place in Idaho is more than an hour from a trout stream. And the average worker lives less than 10 minutes from his job. Because Idaho workers spend less time getting to the job . . . they do far better *on the job*.

IDAHO WELCOMES INDUSTRY

For complete information on what Idaho offers *YOUR* company write to the Idaho State Department of Commerce and Development, Room 602A, Capitol Building, Boise, Idaho.

Subscriber Service

Subscribers buy more than one million pages of reprints yearly, through **Sales Management's Readers' Service Bureau**. In addition, RS stands ready to help you research back issues of **SM** on any classification of subject matter we have published. Write: **Sales Management, Readers' Service Bureau, 630 Third Ave., New York 17, N. Y.**

JOSEPH CARL FOSTER (continued)

DYNAMARKETER

Grant's efforts to design molds for a resin customer (one of them saved more than \$100,000 annually as a result); about "carload savings" from an FG system of bulk handling, and about FG's trade-marked Fosta version on Nylon-6.

President Joe Foster now admits to being pleased with the new advertising campaign. He can show letters from prospects asking his help on their problems. Some send samples and request aid on specific molding methods.

Samuel Foster's celluloid comb business was just four years old when his only child, Joe, then 19, got into it. (Samuel's original partner, Robert Grant, stayed only about nine months.) Joe had ended his formal education after one year at Boston University for two reasons: "I wanted to go into the business," he says, "and to get married." The first he did immediately but the second required four years.

In 1942 Samuel moved to Southern California and became an oil distributor. At 38 Joe took over. Among Foster Grant's wares in that wartime period were shockproof lenses for gas masks and sheetglass visors for artillery. With V-J Day there were no big reconversion problems. "We were injection molders," Joe says, "going in and coming out."

But two decades before, the young business was nearly wrecked—and then creatively stimulated—by two happenings:

1. Dancer Irene Castle bobbed her hair, and millions of less famous women copied her.
2. Then-big-customer Woolworth, among others, received mounting complaints from women whose celluloid combs caught fire.

The Fosters met the U.S.-short-hair situation by opening a plant in Mexico to serve Mexican and Latin American women, including Indian squaws, who continued to wear theirs long and went to some pains to ornament this crowning attraction.

Meanwhile, in this country, they sought customers for celluloid clocks, umbrella handles and dominoes.

Then, from Germany, they learned about cellulose acetate and polystyrene, and became "first in the molding industry," Joe explains, to learn to use these materials. They

had to design and build their own machines for them. They found that molding is less costly than punching celluloid sheets, and they learned how to "inject" the new materials. From the accidental overturning of an oil can, they discovered the advantages of lubricated plastics.

At the opening of Foster Grant's new research center last March, a leading polymer chemist, Dr. Herman Mark of Brooklyn, said that in "such fluid and fast-moving industries as chemicals and electronics, originality of thinking—not size—determines a company's chances of success."

Joe credits his father with being "imaginative and creative. He gave us experience and objectives. And though the business today is much larger, we're still building on his foundation."

Tomorrow's growth will still stem from "developing new end uses," Joe believes. In the process, plastics will continue to rob older materials. He showed me a plastic cup designed to replace paper for hot liquids from vending machines—at comparable cost, and a line of attractive plastic tumblers that "will hold up in a dishwasher and under hot water." Two customers already are making them. When another customer wanted to go into blown-ware, Foster Grant even loaned them a machine for its production.

"In time some customers may be able to produce at lower cost than we can," he admits. "But we don't mind. We intend to go ahead, innovating and pace-setting."

This year Foster Grant introduced not only a double-walled thermo cup, but fast, low-cost production facilities for it. "Already we've sold millions of them—at 6 for 29 cents, retail. We hope to help our customers to sell many millions more."

"We got into materials because we felt we could compound better. And in the process we learned to fabricate better. But we don't push 'vertical integration' too far. We intend to get the best materials for our own and our customers' purposes, even if we have to buy some of them."

"The most important factor in 'integration' is merchandising. All the other 'know-how' we may possess rests on ability to develop products that people want at prices they want to pay." ♦

current facts about the



480 MILLION DOLLAR NORTHEASTERN MICHIGAN MARKET

Here are two important factors to consider if you have a sales problem in Michigan.

Many analysts consider the above 18 county area, with Bay City the gateway, as a **ONE MARKET TARGET** due to the economic ties of the counties and the dominant role Bay City plays as the single large city of the area . . . an area accounting for more than \$480 million annually.

The Bay City Times is the one effective advertising media providing **SALES POWER** for the entire area . . . reaching 9 out of every 10 homes in Bay County and 3½ out of 10 homes in all of Northeastern Michigan.

Whether you're interested in product testing . . . utilizing the impact of spot color . . . or simply covering your market effectively and economically, The Times is your best buy in Northeastern Michigan.

BAY CITY: The Seaway port of Northeastern Michigan

THE RETAIL SALES PICTURE IN NORTHEASTERN MICHIGAN

	Bay County	18-County Area
Retail Sales.....	\$149,716,809	\$480,383,410
Food Sales.....	43,373,333	157,886,366
Apparel.....	7,035,533	14,475,666
Building and Lumber.....	11,037,233	44,028,566
Specialty.....	8,139,466	24,361,400
General Merchandise.....	13,246,866	36,815,566
Automotive.....	33,401,066	131,681,300
Furniture.....	7,697,400	16,843,033

SOURCE: Michigan Dept. of Revenue 1959 Bulletins.
Write for your free copy of complete 18-county sales
breakdown for 1959.

THE BAY CITY TIMES

NATIONAL REPRESENTATIVES: A. H. Kuch, 110 E. 42nd Street, New York 17, MUrray Hill 2-4760 • Sheldon B. Newman, 435 N. Michigan Ave., Chicago 11, SUperior-7-4680 • Brice McQuillin, 785 Market St., San Francisco 3, SUtter 1-3401 • William Shurtliff, 1612 Ford Bldg., Detroit 26, WOodward 1-0972.

A Booth Michigan Newspaper

WLW RADIO TOTAL AUDIENCE

Number of Radio Homes Reached Per Broadcast. Average ¼ Hour Per 3-Hour Day Part—6 AM to 6 PM

10,000

20,000

30,000

40,000

Station B

Station C

Station D

Station E

WLW radio again lengthens

According to
April / May
Nelson 1960

WLW radio again lengthens its broadcast day to 10 hours a day, 6 AM to 6 PM, as of September 1, 1960. This is the longest broadcast day of any radio station in the Cincinnati area. WLW radio has been broadcasting for 10 years and has been a part of the Cincinnati radio scene since 1950. WLW radio is the only radio station in the Cincinnati area that has been broadcasting for 10 years.

WLW RADIO METROPOLITAN CINCINNATI AUDIENCE

Number of Radio Homes Reached Per Broadcast. Average ¼ Hour Per 3-Hour Day Part—6 AM to 6 PM

2,000

4,000

6,000

8,000

10,000

Station B

Station C

Station D

Station E

50,000

May 1959

60,000

70,000

Feb. 1960

80,000

Apr.-May 1960

90,000



1st place lead in Cincinnati

The Big WLW is a 100% High Fidelity AM broadcast station and exclusively a Crosley Broadcasting enterprise.

The WLW programming—concerts, programming with the best of its kind, appeal, especially in music, news and information.

So when buying Radio time, take one look at these audience charts here and you'll see why you should call your WLW Representative.

12,000

May 1959

14,000

Feb. 1960

16,000

Apr.-May 1960

18,000

20,000

The Big WLW radio world

with audience among
top 10 in America
and first in Cincinnati

World's Highest Fidelity
Radio Station 38th year on the air



Crosley Broadcasting Corporation, a division of **Arco**

How Data Processing Helps Raytheon Boost Sales

Raytheon frees its salesmen for full-time selling by calculating sales statistics with electronic data processing equipment. Other benefits: the tremendous detail of information, the flexibility of that detail, the ease and speed of report making.

"Now we have full-time salesmen instead of part-time statisticians—because our byword is 'give it to Watson' when sales reports are due."

The man with the "full-time salesmen" is Julius Dorfman, marketing manager, Industrial Components Division, Raytheon Co. His salesmen are no longer "part-time statisticians" because:

"Watson calculates our sales statistics in fractions of the previous time required, and with more detail and accuracy than is humanly possible. This

is because Watson isn't human. Watson is a computer.

"Now that we can 'give it to Watson,' man-hours have been replaced by machine-hours in the production of sales statistics reports."

Marketing departments are regularly confronted with that all-too-frequent period when a part of the staff virtually ceases its sales operation to take on the time-consuming task of making out reports.

With the advent of the computer, however, this period no longer

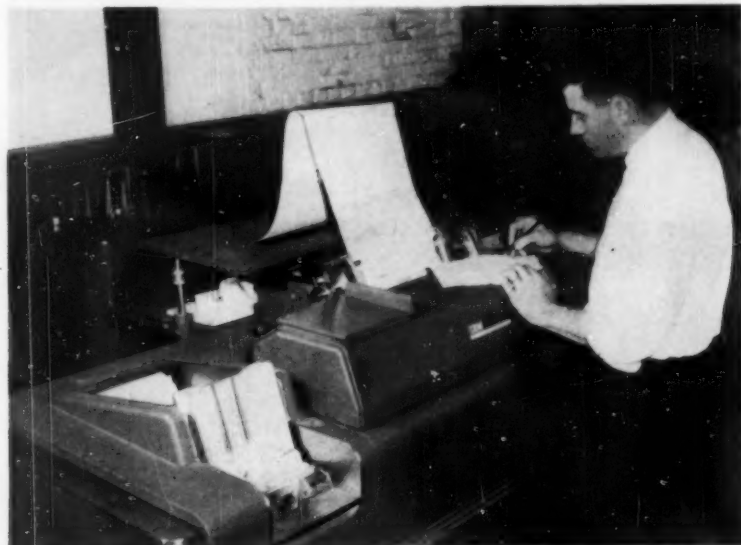
threatens the sales operation of Raytheon's Industrial Components Division. The division's IBM system, which has many valuable uses elsewhere in the division's complex, has also found its way into the marketing department's regular routine.

"With the use of computerized sales statistics," Dorfman explains, "our reports can now include more information, for more varied applications, with greater detail and accuracy, within fractions of the time required in manual reports—and best of all, without delaying the operation of our office."

"The system places an electronic finger on the pulse of our business. We need many reports or forms to keep ourselves, our men, and records current—to keep up-to-date information on the thousands of products and customers of this division. Records must be current on orders received, orders on hand, shipments, and various summary reports of orders received by market, customer and product."

Raytheon is one of the oldest and largest manufacturers of receiving and special-purpose tubes. Its Industrial Components Division produces tubes for television, radio, industrial and military applications including computers, telephone equipment, industrial controls, jet aircraft, and more than 25 U.S. missiles. The division also produces other components for industry.

The benefits of calculating sales statistics with electronic data processing equipment are many—the tre-



ERRONEOUS REPORTS are eliminated through continual checking from the original orders. The system places an electronic finger on the pulse of Raytheon's business.



Thousands line 4th Avenue, Seattle, as the 1960 Seafair Parade, one of many civic events, passes in review. Like most of the area's shoppers who visit Seattle, they came from the six-county Seattle Retail Trading Zone—the same area in which THE SEATTLE TIMES concentrates its circulation.

"The Seattle Times Goes Where Washington Grows"

Washington State added 444,461 (*) people in the last decade, with 62.9% of this amazing growth occurring in the Seattle six-county Retail Trading Zone.

With 95.9% of its circulation concentrated in the Retail Trading Zone, The Times goes where the state grows.

Further proof of its advertising value is this healthy increase in linage (**) during the first six months of this year:

TOTAL LINAGE, JANUARY-JUNE

	Seattle Times	Times % of Field
1959	15,537,168 li	60.8%
1960	15,952,574	61.4%

SOURCE: *1960 PRELIMINARY CENSUS FIGURES
**MEDIA RECORDS

The Seattle Times

Represented by O'Mara & Ormabee, Inc.
New York, Detroit, Chicago, Los Angeles, San Francisco

mendous detail of information, the flexibility of that detail, the ease and speed with which the reports can be accomplished. Once the cards containing the information have been punched with a myriad of sales information, the sorting and run-offs of reports are simple.

Even though Raytheon's IBM system is not inexpensive, "it more than justifies its cost in profit making," says Dorfman. "Once a company has the system, it is up to the management of that company to apply it effectively in areas where it can give more in-

formation at optimum frequency and accuracy. In sales management, the more information available at more frequent intervals, the better control of sales—thus more sales.

"We make more money for the company by getting more information, more accurately, with better detail, yet using the same amount of people. With this type of updated information made available, we have helped increase sales without the usual related increase in staff. The speed of data processing sales statistics also allows us to book a complete order

in a shorter time than ever before.

"Every Friday afternoon we have reports of all orders received through Thursday night, indexed by customer, product, and required time of delivery."

► This all began about two years ago. Before then Raytheon had little in the way of reports, and those which it had were done manually.

Since the company began using data processing equipment, it has become more and more sophisticated in its use. Like anyone else Raytheon had to learn how to use it sparingly and efficiently. Dorfman points out that "these two years have allowed us to achieve our present know-how, yet we still are not fully sophisticated in the use of computerized sales statistics. We are constantly finding additional practical uses for machine-calculated sales statistics."

Raytheon's computer-calculated reports include the order-inventory summary; orders received weekly; orders received month to date; month-end summaries of orders received, by customer, by product, by market; regional sales reports; market billings reports; and open-order board.

Additional manual reports gained from machine information (a supplementary reward of data processing) include the Government orders received report; backlog in terms of dollars report; and the order analysis by operation, product and market.

The order-inventory summary, Dorfman notes, is "probably our proudest accomplishment." It combines sales by family, by product within the family, and indicates what production quantities are being delivered by the factory to the quality assurance department. "In one grand sweep we can see what is on hand, what is being manufactured, when it is coming through, what is on order, when it is scheduled for delivery, what surplus is available above the orders on hand during the period, as well as activity of incoming orders and a total order backlog."

This report tells Raytheon the schedule of shipments for the month, the actual shipments for the month to date, and a weekly finished-goods inventory by product. The machine run of this report also includes information on estimated additional availability for the current month and succeeding month, semi-monthly.

In quoting delivery of electron tubes on order, or giving quotations for new orders, the company must know daily what is available. The order-inventory summary is a way of matching what is committed, com-

It's Yours... ONLY THROUGH The RECORD NEWSPAPERS of Troy

... 233,000 Consumers

... \$500 Million in Buying Potential

The Troy Record-The Times Record deliver 75% coverage of the five county Troy market area (Troy ABC Retail Trading Zone) daily. ... Plus 97% city zone coverage daily.

TROY ABC MARKET DATA

	City Zone	Retail Trade Zone
Population	136,300	233,000
Households	40,100	65,800
Effective Buy. Inc.	\$275,471,000	\$450,781,000
E.B.I. Per Household	\$6,869	\$6,845
Retail Sales	\$160,843,000	\$200,943,000

(Source: SM Survey of Buying Power, 1960)

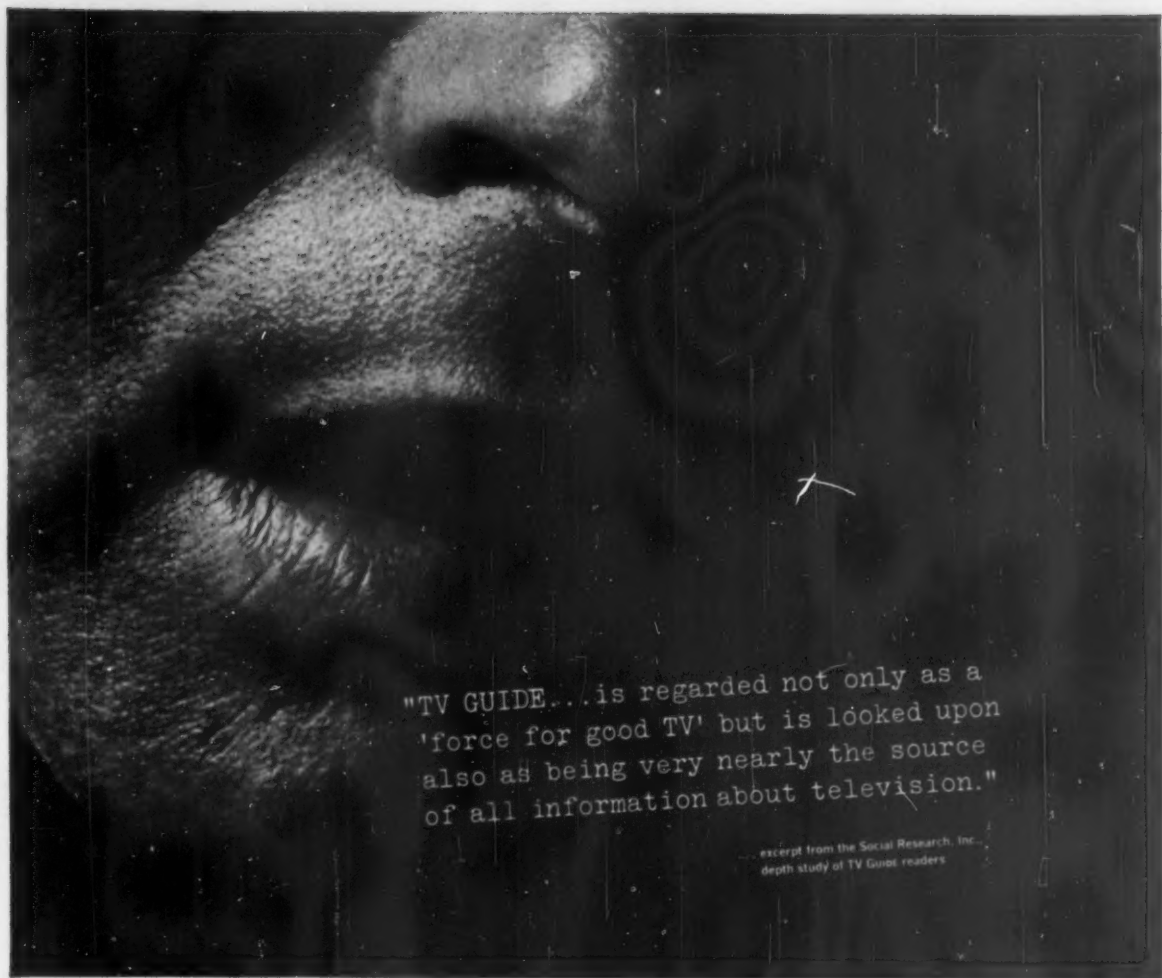
RAPID ECONOMIC EXPANSION

Urban Renewal, Housing for Elderly	\$6,250,000
General Electric Silicone	\$3,000,000
Wood Flong Corp. Expansion	\$1,000,000
Three New Shopping Centers	\$5,000,000

THE ONLY DAILY NEWSPAPERS
IN THE TROY MARKET

THE TROY RECORD THE TIMES RECORD

Troy, N. Y.



"TV GUIDE... is regarded not only as a 'force for good TV' but is looked upon also as being very nearly the source of all information about television."

excerpt from the Social Research, Inc.
depth study of TV Guide readers

TV Guide's editorial content spells "authority" for 7,250,000 families

The *tone* of a magazine—the voice with which it speaks to its readers—is something advertising people are normally forced to judge intuitively. Yet this is really too important a matter for anybody's seat-of-the-pants measurement.

The study of TV GUIDE by Dr. Burleigh B. Gardner and his Social Research, Inc., staff explores the subject in some detail. Again and again, the 1012 TV GUIDE readers who were interviewed in depth emphasized the magazine's *authoritativeness* and *authenticity*.

Readers assign many qualities to the *total content* of the magazine. The comprehensive, accurate program listings which inform but withhold critical opinions. The continual reports of what's going on in TV—new programs, forecasts of programming trends, "inside information." The articles about television's responsibilities and obligations, which give readers a sense of participation in stimulating controversies. The relaxed, factual profiles of TV personalities—pleasant light reading. The behind-the-scenes stories of program production.

Readers recognize that virtually everything in TV GUIDE is objective and impartial, uncolored by presumptive standards of judgment. It is this quality which makes them look upon the magazine as the major source of authoritative information about TV, indispensable to constructive, worthwhile and enjoyable TV viewing. It is this which has figured prominently in bringing TV GUIDE the largest circulation in weekly magazine history. And it is this which, spilling over to the advertisements in TV GUIDE's pages, helps lend them prestige and believability.



For your copy of "TV GUIDE: A STUDY IN DEPTH," which details this important survey's findings, call your local TV GUIDE office or write TV GUIDE, National Advertising Department, Radnor, Pa.



Best-selling weekly magazine in America . . . circulation guarantee 7,250,000

Sales Management September 16, 1960 65

LARGEST MARKET BETWEEN SPOKANE and MINNEAPOLIS!



The Fargo Forum reaches 3 out of 5 families in these 20 North Dakota and western Minnesota counties . . . and 9 out of 10 families in the Fargo-Moorhead 2-county "metropolitan" area.

These 20 counties form one of the Northwest's richest markets—315,100 people, \$367,513,000 in retail sales. Fargo itself is now a SRDS additional standard metro area—and still 1st in the U.S. in retail sales per household.

These 20 counties in 2 states are but one market, solidly sold by only one newspaper—The Fargo Forum.

Represented by Kelly-Smith Company

THE FARGO FORUM Moorhead News

Largest circulation in North Dakota and western Minnesota



"How to sell CREATIVELY"

The opportunities of the '60's are yours for the selling . . . to those salesmen who will apply the four principles of creative salesmanship. "HOW TO SELL CREATIVELY" . . . Dartnell's new film dramatizing the creative side of selling will show your salesmen how to SELL MORE . . . SELL NEEDS . . . SELL UP . . . and SELL NOW!

No other film defines creative salesmanship as clearly or goes as far toward helping salesmen put creative ideas to work. It can easily be fitted to any sales training session, sales meeting program, or convention.

A 30-minute, 16mm. motion picture. Available for outright purchase or rental. Details on request.

DARTNELL

4664 RAVENSWOOD • CHICAGO 40, ILL.

"HEADQUARTERS FOR SALES TRAINING FILMS"

pared with the inventory, and what is to be added to the inventory. Because the time cycle for the production of finished goods is long, the company must be able to schedule deliveries accurately.

Both Raytheon headquarters and customer services can quote availability from this report, which is accumulated and updated weekly. To Dorfman, "It is a snapshot of the constantly changing ebb and flow of our business, enabling us to schedule and quote accurately and often."

► Reports of orders received are issued weekly, along with another weekly report giving the receipts for the month to date.

These reports are broken down into product lines, listing the individual products within the family by customer, invoice number, and end use. The geographical region and market are indicated, with a total quantity shown as well as the quantity required for shipment in the current month, in each of the two succeeding months, and the price information.

Reports of monthly shipments, by market and region, include a breakdown into ten categories—six regions plus four additional markets (Government prime contracts, other Raytheon divisions, export, and Canada).

Shipment reports list the region and district; and within the districts, the account name, city, specific product, and the quantity sold in the current month in both units and dollars, and the year to date in units and dollars.

Each Raytheon field office receives the reports covering its territory, as does the sales manager and each Government contract office.

The reports themselves "are not any marvel," Dorfman admits. "Every sales manager needs them to run his operation. But we believe we have gone further than most other companies in contents, availability, frequency, and accuracy."

"By having weekly and month to date reports we keep ourselves current as to what is coming in, and are able to keep immediately informed." The information goes to those persons who are directly involved—such as Dorfman; the OEM sales manager, to whom salesmen report; the marketing services manager, who handles quotations and the availability of production; and the sales service department, which services the orders. The total information goes to the division manager, the controller and operations managers.

Reports are received from the data processing department within 24 hours of the week's closing. This

makes them more current than was ever possible in the past.

The monthly report of orders on hand will be converted to a weekly report of orders on hand for even fresher information. Weekly adjustments are manual for the present, but without the use of other machine-calculated reports it would take the better part of the week just to complete the monthly report.

The monthly open-order run is a report by product family and by product within the family; by customer for each of the products, with coding designating end use and whether military inspection is required. It includes a complete quantity breakdown for delivery by month for nine consecutive months, as well as a column for past due or delinquent shipments. For each product there is a total quantity on order also shown.

At one time it took Dorfman's "best man 60 hours a month to do the open-order board." The electronic equipment frees this man for his customer.

Once all other reports have been done, subsidiary reports can be completed in about one hour per report—ten times faster than by the manual system. Subsidiary reports include, for instance, a monthly report of orders received, by product, showing the current month in units and dollars, and year to date in units and dollars, and a similar report of shipments, by customer.

From these reports Raytheon can determine such information as products which are moving, products which are not moving, who the best customers are, and the orders received by customer, in units and dollar value.

Also reported is a listing of sales, by product, in order of the dollar value, year to date. This enables the company to put its finger on the most active and least active products and compare them from one period to the next.

On the customer run, reports are also made in order of the greatest dollar value, year to date, in decreasing order. With this, Raytheon can immediately determine the order of activity by customer, month to month.

► The data processing machines are also used for accounting, engineers' calculations, payroll computations and quality control reports. The machines are run on a job cost basis so that the over-all cost of the system can be divided according to the department use. Because of this, Raytheon is cautious to machine make only those reports which are most effective and which are most justified and valuable. ♦



** Go Modern * Go Plastic*

RICH, COLORFUL

NBB

**DECORATED
COVERS**

FOR CATALOGS • PRICE LISTS • PRESENTATIONS
SALES MANUALS • INSTRUCTION BOOKS • BULLETINS



NATIONAL BLANK BOOK COMPANY

For more facts — turn page



Your company's printed messages and pictures about products, prices or procedures, deserve the prestige and protection of
**NATIONAL BLANK BOOK'S
 MODERN, VINYL DECORATED COVERS**

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Are You Overlooking An \$18-Billion Food Market?

Despite the fact that Americans chewed up \$18 billion worth of food away from home last year (a succulent 273% increase since 1939 for the institutional food market), a sizable number of food manufacturers remain as passive as an underpaid chef.

Content to sell the retail grocery field alone, they continue to ignore the institutional market, generally recognized to be more profitable — and a market which the Department of Commerce ranks fourth, surpassed only by retail food, automobiles and department store sales, in terms of volume.

These same companies overlook a market embracing half a million food service installations which make up a diverse, but unified, market. Included are (1) commercial operations (hotels, restaurants, motels and the wide range of fast food service operations); (2) semi-commercial operations (in-plant cafeterias and clubs), and (3) non-profit operations (hospitals and schools).

► On top of this, expansion of schools, hospitals, motels, fast food outlets, drive-ins and homes for the aged continues at an accelerated rate. Also operating in favor of the institutional food market, as a persistent trend year after year, is an increase in the percentage of food dollars going into away-from-home eating.

Then, as an added appeal, the institutional food market demands of its suppliers less packaging cost per case sold, less merchandising per account sold and less sales services per profit dollar.

Why, then, are many food manufacturers failing to take a page from the successes of leaders in the institutional field — such companies as Kraft, General Foods, Heinz, Standard Brands, Armour and Swift?

The difficult lessons these leaders have learned make up part of the answer. In the past 20 years, they have done more than merely watch the institutional food market take shape. They've recognized the pe-

culiar nature of the market and quickly realigned their marketing activities in such a way that virtually every need of institutional users has been met.

At the beginning, the most obvious need was packaging. Years ago, when a local restaurant needed a load of beans, someone ran down to the local grocery store and bought a case of retail-pack. Besides the added expense of using a consumer-size can in an institutional end use, there was the trouble and extra work involved in using small containers.

Number 10 cans solved this problem, as did specialized, more realistic, packaging of most commercially used food products. The institutional user began to see a widening variety of foods arriving at his platform in sizes and shapes most convenient for his operation.

The profit picture appealed to more and more manufacturers. The theme, "mass feeding requires mass purchases," began to beckon. And it wasn't only restaurant sales that attracted them. Industrial feeding units moved up rapidly during the war years in terms of their feeding needs. The Los Angeles School system became one of the nation's largest sin-

gle food-buying units. Another school system in the Midwest buys more food each year than all the commercial operations in its area.

Actually, the big restaurant chains represented a multi-million-dollar institutional food market in themselves. The food purchases of chains like Thompson's, Stouffer's, Harvey's and the like, total into amazingly big figures. Woolworth, for example, is the world's largest restaurant operation.

Then, of course, more and more corporations introduced commercial feeding operations into their plant facilities.

It was recognized by the leaders, even at the beginning, that retail grocery sales forces cannot adequately sell this exploding market. Therefore, once packaging development was under way, a revamp in sales was inevitable, if the market was to be sold.

Buying practices were examined and studied with the realization that bulk food purchases are not made with the same end uses in mind. But not every manufacturer was aware of this.

When the Institutional Food Manufacturers of America first breathed in 1952, it took up the cudgels for



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the food producers. While many declined to approach the market, even with the expert aid of this group, IFMA moved ahead with marketing and distribution clinics. At these meetings, food service operators and manufacturers were brought together for frank discussions of what was needed. At a recent IFMA conference, for example, 21 restaurant operators appeared, representing aggregate sales in excess of \$493 million.

It was obvious to many people that the institutional food market was, and is, a market with its own needs and opportunities. Still many food manufacturers decided not to sell the market or, at best, to operate merely on the fringes.

The specific reasons for this reticence lie beneath the surface. They did not, however, deter the current leaders from aggressively pursuing institutional sales.

Companies that jumped in quickly in an attempt to snare a portion of this wildly growing market, attempted to sell it with converted retail grocery men. Many still do. But while such men are food salesmen, they are not specialists in selling the restaurant, the hospital, and commercial cafeteria. They've had to learn the hard way by changing their thinking in the areas of merchandising, menu selection, account servicing, price attractions and end-use applications. The need for specially trained men was clear to the charter institutional producers.

► The leaders met this need by training institutional food salesmen specifically for the job. Companies observing this program from the sidelines, however, were impressed, often negatively, with the time-consuming and expensive effort this required.

On top of this, a company considering entry into the market wanted an indication of what might be required in terms of food service needs and by type of product, segment of population, brand consumption. The figures just didn't exist and, to a large extent, still do not.

IFMA members realize that terrific need for synthesized market data. Efforts to produce it have come to nought because of the terrific cost involved in a national survey in a field of this size. Present plans may result in Federal help with this vital project.

For the fringe operator, of course, this meant something of a blind start. He had little hope of planning his marketing strategy on a comprehensive survey, perhaps of the type prepared in the retail grocery field where virtually any combination of market figures are available.

Many a skeptical marketing man was deterred by the absence of these figures alone. However, what did the companies now leading the field do about it? They used partial, localized studies of vertical segments of the market. They estimated, they multiplied, added and subtracted a group of fragmentary figures (and one or two reasonably good agency studies) into an adequate guesstimate of the market they wished to sell—and then they took a chance.

Trial and error, expensive for any company, helped shape their concept of the institutional food market and what their share should be. And a certain amount of corporate courage and foresight was needed.

In practice, some valuable experience has been gained. Slowly, more manufacturers are deciding to enter the field on a limited basis, using the experience of others as a launching pad for their operations. Others still shy away.

► But some food manufacturers now in the field have never completely released the brakes, content to operate at 25-50% of the volume they might obtain going full-steam ahead.

The weakest link in bringing institutional food products to a market with something less than sharply defined needs, is the food wholesaler. No one doubts that he is here to stay. Few companies are in position, at this time, where a company-supported distributorship would make sense. Certainly the food wholesaler has long since proved his value to food manufacturers. While a few of the largest producers, such as Kraft and Standard Brands, distribute a portion of their production through their own salesmen, the majority of food manufacturers use wholesalers.

But, is this wholesaler equipped to do a well-rounded selling job in the institutional field? An unqualified "yes" from the manufacturers might be hard to find at the present time. Most such distributors have thousands of items to sell, with their sales books often resembling a Sears, Roebuck catalogue. The problem of "product patriotism" has been of constant concern in the retail grocery field for decades. Does the wholesaler merchandise every angle of your product? Does he use your sales aids to best advantage? Does he service the account in the manner you would prefer?

Institutionally, the problem is just as acute. Many a producer considering entering the field may deem an uncertain wholesaler network sufficient cause to decide against such a venture. (continued on page 72)

Financial Responsibility DC's growth has been rapid but sound, dating from 1932 and a two-truck operation between Denver and Chicago. For the past 10 years, D-C has been a nation-wide system with 18 terminals serving points reaching to both coasts. Revenues in 1959 surpassed \$40,000,000. Cargo and liability insurance of \$5,000,000 per unit is a further guarantee of reliability.

Our Guarantee to you:

D-C offers you only one kind of service—the best! Whether you're shipping a full trailer load or a small carton—whether the destination is 30 or 3000 miles distant—your shipment is entitled to, and we guarantee it will get, the same personal attention and careful handling.

One-carrier direct service coast-to-coast

D-C's 10,814 mile coast-to-coast system is under single-company ownership and management—giving you true one-carrier direct service between points served by D-C. One-carrier control and one-carrier handling avoids delay—is your guarantee of speedy, safe delivery.

Rigid Standards of SAFETY

D-C's safety record is consistently among the highest—with award after award a tribute to the skill of D-C drivers. Freight handling practices and facilities are constantly being reviewed and improved. For years claim-free shipments have averaged well above 99%—your guarantee of safe handling of your shipment.

Modern, safe equipment

D-C's fleet numbers well over 2,000 highway units. All are kept in top-operating condition by periodic inspections and service checks. Maintenance facilities are located at key points on the system, manned by skilled mechanics. D-C road equipment is new and diversified—to serve both your routine and special shipping needs.

Dependability

Shippers have relied on D-C for almost 30 years. This confidence stems from experience and is your assurance that your shipment, whether large or small, will be handled with care and delivered swiftly.

For GUARANTEED service call

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Evansville, Indiana	HA 3-6487
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Los Angeles, California	AN 8-8211
Louisville, Kentucky	ME 6-1361
New York, New York	LO 4-3320
North Bergen, New Jersey	UN 3-0900
Owensboro, Kentucky	MU 3-5363
Phoenix, Arizona	AL 8-5321
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For the finest and fastest in truck service nation-wide . . . always specify D-C . . . the Dependable Carrier!

DENVER CHICAGO TRUCKING CO., INC.

The ONLY direct coast-to-coast carrier!

How do the majority of wholesalers feel about training their men specifically to be institutional food salesmen? Generally, lukewarm—why go to all that extra effort when their retail grocery men have been doing a good job for them for years. "Just let them have the literature—they'll do a job."

A lot of manufacturers don't agree. They know of the problems the institutional salesman is going to encounter. Every producer knows how a dietitian and a restaurant chain can tear a retail-oriented food salesman to pieces. Especially when he is not prepared with product preparation sug-

gestions, food value charts, nutrition and economy helps.

The manufacturers also know that restaurant and cafeteria managers are interested in moving food across tables—not cans and boxes of food, but meals. And this means in an economical fashion, in light of the close operating ratios which most food service units must maintain.

A lot of wholesalers aren't convinced. And naturally, many realistic manufacturers are not willing to risk a new market investment on a group of retail-oriented salesmen.

For the food producers electing to

stay on the outside of the market, this "retail-mindedness" is the single most important weakness in terms of wholesaler distribution. Those in the field, however, continue to hammer away at jobber managements with training films and other sales aids designed especially for a distributor salesman selling the institutional food market.

If the problem could be summed up in one sentence, most manufacturers would be happy if their wholesaler operation traded with strong institutional product knowledge and an understanding of the specialized requirements of the mass feeding market.

Today's successful companies have appointed separate institutional sales managers and sales forces charged with servicing wholesaler salesmen. They have not relegated institutional food sales to a position subordinate to that of the retail grocery division. Of course, many of these new institutional food officials are ex-grocery men. Nevertheless, the fact that the institutional function has been isolated in many companies, is a sign that maturity, and sales success, may be approaching for a growing number of institutional marketers.

► Companies now bringing home the profits usually employ full-time institutional dietitians working solely on mass feeding service problems in test kitchens and research labs.

They use merchandising experts who concentrate on producing the kinds of physical sales aids the restaurant owner can use to sell his products. Such items as point-of-purchase posters, place-mats and table "tents," window streamers, backbar strips and, most important, helpful recipe cards for the kitchen file. As an example of the growing pains in this industry, IFMA is concerned with the fact that several of the largest producers are preparing menu cards in a variety of sizes, creating a problem for the restaurant operator who wishes to maintain a comprehensive kitchen menu file. Persistent efforts on IFMA's part is expected to settle upon a card-size approximately 4 in. by 6 in.

The private-label problem in institutional food production has succeeded in keeping some food manufacturers out of the field. They see, increasingly, groups of food service operators organizing into cooperatives with the aim of bulk, discount food purchasing.

When a manufacturer comes into the market he must decide whether he wishes to concentrate on such private-label production, and depend on getting his share of group purchas-



in lithographed metal containers

by J. L. Clark

Keebler protects the freshness of its crisp saltines with fine lithographed metal containers that assure immediate brand identification, project the excellence of the product, and help it sell successfully.

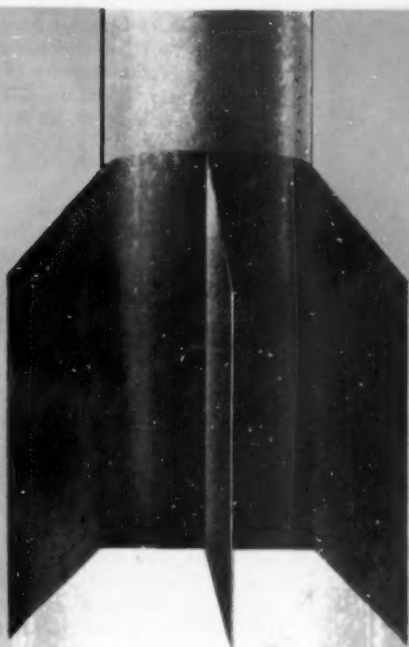
A distinctive container establishes the brand—interests and pleases the customer, persuades him to buy. Clark's experience and specialized facilities can help make your product a leader in its field. Write for more details or talk over your specific needs with a Clark salesman; we are ready to serve you.



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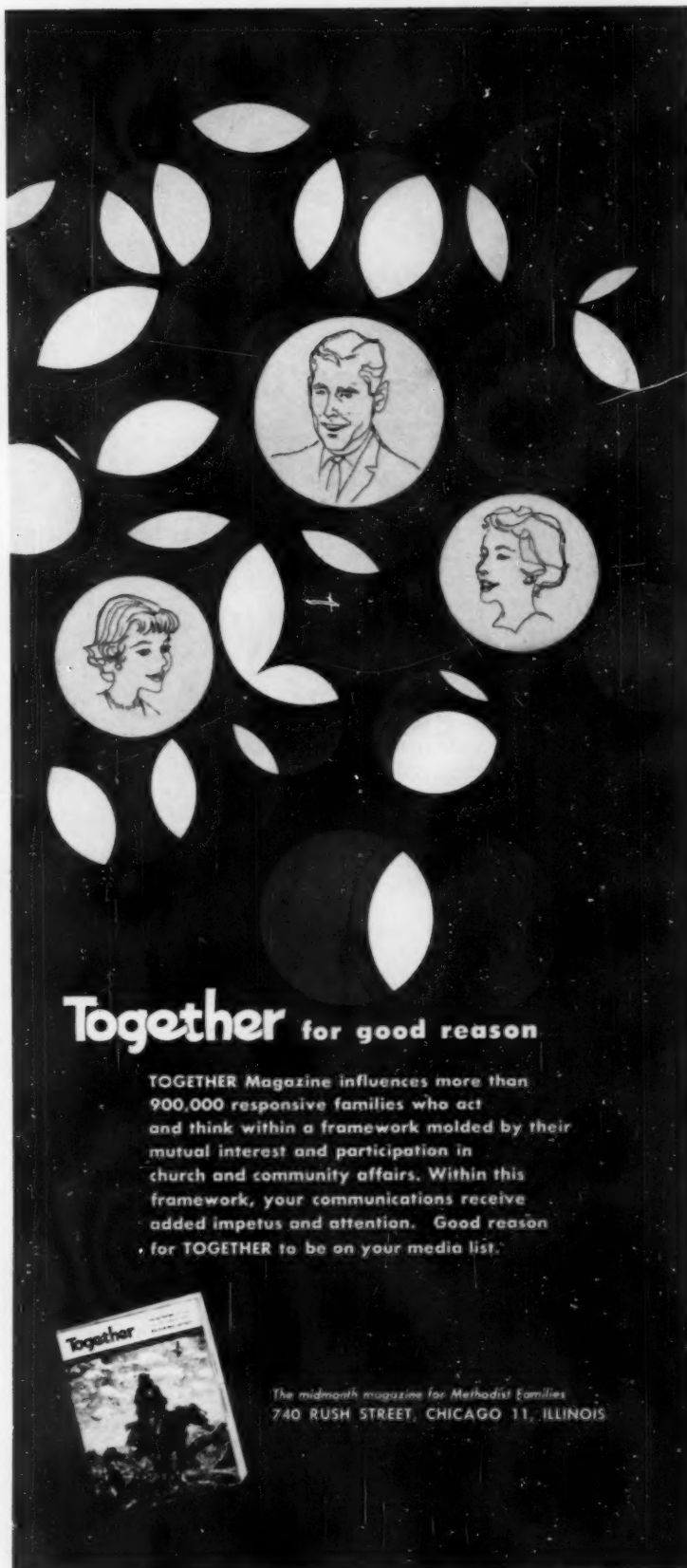
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ing volume, or keep his label and depend on the name and jobbers to do the job. For the majority of the current large producers, the private-label problem is not acute, at least not as yet, because of the fact that their brand identity still maintains its strength.

Long a problem, brand identity is often lost when a food product enters a food service operation. Not many products are as fortunate as for example ketchup—usually placed on the table where the patron makes easy identification. The average institutional food product is converted, cooked, blended and served into anonymity. Nevertheless, manufacturers wish to retain brand identity as long as and wherever possible.

Many food service operators will ask for "custom formulation." To obtain a competitive advantage over other operators in their area, they will request that a certain product be prepared a certain exclusive way. This is expensive for a manufacturer, and is another problem to be met.

► Significantly, in every case where a food manufacturer is currently selling the institutional food market successfully and profitably, you will find that the company's top management has provided a carte-blanche "yes" to its institutional program. Its advertising is placed nationally where necessary and is adequate in terms of message, impact and media distribution. Merchandising moves ahead as necessary. Menu, diet and product tailoring are in tune with the needs of the food service operator. The sales force is usually trained to sell the institutional market and, most important, promotional money is there when needed.

A comparison with the summer slump fantasy seems appropriate here. You hear a rumor about business being off—"Let's cut advertising and pull in our promotional horns." Sure enough your sales go down and you decide the rumors must have been correct.

The same erroneous thought process appears to apply in the institutional food market. "The market's growing too fast . . . There aren't quite enough market data yet . . . Let's wait and perhaps we can slide in later without the risk factor."

The companies currently doing a job would not agree with this philosophy. It must be a firm decision—either merchandise, advertise and promote your line to the hilt now, or stay out. Without a top management "yes"—an unqualified "yes"—there is little hope of success in selling the institutional food market today. ♦

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Over 67 billion dollars in retail sales! That's the amount forfeited last year alone, in the top 15 markets, by advertisers asleep at the switch in buying habits caused by the ever-increasing expansion of the suburban and "extra-urban" areas. (Since 1950, suburban retail sales in the top 15 markets have zoomed 93%, while urban sales grew only 22%.)

To reach this wide-awake market, you need spot television. Because only spot television lets you select just the markets you want, and provides the unbeatable advantages of television's sight, sound and motion to sell the entire area—with equal impact.

Don't you miss out! Our new "Telemarketing" study will give you the eye-opening facts on where money is being spent today and the first authoritative preview (prepared by Market Statistics, Inc.) of where it will be spent in 1965. For your copy, call PLaza 1-2345 or write to 485 Madison Avenue, New York 22, main office of **CBS TELEVISION SPOT SALES**

Representing WCBS-TV New York, WBBM-TV Chicago, KMOX-TV St. Louis, WBTW Charlotte, KHOU-TV Houston, WJXT Jacksonville, WBTW Florence, WCAU-TV Philadelphia, WTOP-TV Washington, KNXT Los Angeles, KSL-TV Salt Lake City, KOIN-TV Portland, and the CBS Television Pacific Network



"Does he
know
what he's
missing?"



How about "Believed" as a Fourth Dimension of advertising effectiveness?

One thing is certain: readers can read, noters can note, see-ers can see. But if they don't *believe* it, they're just not going to do anything *but* read, note and see!

Same holds true for TV and every other medium, of course. *No product can thrive on advertising exposure alone, no matter how well attended or attractively presented.*

You have to get those readers, reviewers and listeners *with* you all the way. You have to get them to believe you.

Believability is our stock in trade. We not only publish an extensively well-read magazine each month, but we also do more to ensure believability than any other magazine, any other medium. Note

how often TV cites the Good Housekeeping Seal!

Ads, products, editorial—everything in Good Housekeeping is *in* the magazine only because the editors and the Good Housekeeping Institute have found the facts to be facts, the claims to be well supported, the products up to snuff.

Women know this. That's why they not only believe what they read in our magazine, but also follow their surest guide to guaranteed products in the stores where they shop: the Good Housekeeping Guaranty Seal. And in November they will have the new Buyers Guide.

Couldn't *your* advertising benefit from this extra assurance of believability, in the magazine women believe most of all?

Good Housekeeping

...because nothing persuades ^{and sells} like the truth



Why Not 'Rent' Salesmen? Dow Did!

... and the results were phenomenal. Some 52,000 sales calls were made in 15 working days by just 236 'temporary' salesmen. National distribution of a new product was set up fast.

What would YOU do?

You have a new product. It is your first venture into this particular consumer-product field and you're shooting for 25% of the market. Since it is a highly competitive field, you must maintain complete secrecy during the developmental stage. This means that you cannot prepare your retail dealers for the product, reveal plans for packaging, promotion or anything else.

You set a date for the national advertising break. It arrives and immediately you receive intense consumer demand. You also hear that a similar product may be on the way from a competitive source. Time is short.

You know your ad campaign has done a good job. Since the introduction date, your 24-man national sales force has been contacting jobbers at

a rapid rate. The jobbers, you must assume, are doing their best. But, to be safe, you make a quick survey.

It reveals that, despite these efforts, not nearly enough retail dealers are aware of your product by the date you had expected. They are either oblivious to you or unconvinced that they should handle your product. Nevertheless, the total number of dealers you had set as the absolute minimum with which the product could be successfully marketed must be maintained.

What is your next step?

For the Dow Chemical Co., it was 236 temporary salesmen!

Recruited from Salespower, Inc., a subsidiary of Milwaukee's Manpower, Inc., a group of "one-shot-salesmen" was hired to sell Dowgard to thou-



sands of retail service dealers whom jobbers had not as yet reached. Basically, Dowgard is a new year-around automotive radiator coolant designed to completely fill the cooling system. The usual benefits of the older anti-freeze products are present, plus the feature that the need for flushing, draining and continual addition of more liquid is eliminated. Dow claims the product delivers a "sealed cooling system" for one year.

"We decided against raising our own nation-wide sales force for this 3-week push," says John Strouss, Dowgard marketing manager. "The Salespower organization convinced us that they could deliver the national distribution we needed in this short period, and we gave them the go-ahead."

What it amounts to can be described in a few words: 52,000 sales calls made on ideal prospects in only 15 working days. Adding a week's local training for jobber and Salespower salesmen, the whole campaign took less than 30 days. The orders the temporary salesmen picked up were sent direct to the local jobber, and reports were forwarded to the main Dow office in Midland, Mich. The job-



THE MEN WHO DID IT—Dowgard's Marketing Manager John Strouss (standing) pin-points the next step in Dow's whirlwind distribution of its new coolant. Other members in the strategy huddle are (l. to r.): E. J. Holman, manpower development; Gar Fritts, market communications manager; Strouss, and Bill Lewis, sm.



Why Not 'Rent' Salesmen? Dow Did!

(continued)

bers were particularly pleased with the effort because of the lack of expense to them. In addition, they created new account lists for their sales forces, and a fine listing of referrals, where interest was shown.

"What we have," says Gar Fritts, market communications manager for Dowgard, "because of the secrecy and relatively sudden introduction, is one grand test market for this year. But we're making it in a big way.

"Actually," adds Fritts, "the new product had to be developed. Back in June 1957 it developed that we were the only anti-freeze manufacturer who didn't have a nationally marketed brand in our own right. The names of our competitor's products—Prestone and Zerex, for example—were common names to the consumer. As additional firms jumped into the consumer field (companies for which we had been producing private-branded products) we simply lost business.

"Then," he continues, "automotive manufacturers continued to have severe problems with the cooling systems in their new models. The variance in water around the country created terrific problems for the car people. They never knew what type of H₂O would find its way into mixture with the type of anti-freeze supplied with the car. With higher heat transfer requirements and smaller cooling systems featured in the new

cars, especially the compacts, the need for a non-evaporating, full-fill coolant became obvious. We were sure we were right in developing Dowgard because the need grew strictly from the market and not merely from our laboratories."

Already established in the basic chemicals field as well as in other consumer areas (Saran Wrap), Dow had been supplying automotive factory-fill anti-freeze requirements, as well as private branding for other manufacturers, for 6-8 years.

Adds Fritts, "The flattening out in business outlined above, plus the new needs of the car makers, prompted Dow to push harder than ever for a new discovery in radiator coolants. Once Dowgard was conceived, absolute secrecy had to surround the product until it could be introduced to the consumer. We didn't want to give our established competition any more of a break than necessary; after all, their

The Role of Salespower, Inc.

What Kind of Salesmen Did Dow Get?

Dow required mature men with solid sales experience. In addition, they had to have some kind of background in selling to automotive jobbers and service stations. Then, Dow's usual request—"A type of man Dow will be proud to call a Dow specialist." Dow got its men.

What Size Sampling Was Required?

Using Chicago as an example, Salespower, Inc., screened 150 men in order to find 24 men to represent Dow. The same spread existed in other cities. Dow eventually got 236 men in all.

What Was Dow's Say in Final Selection . . .

A Dow man was on hand for the final selection and hiring.

. . . And Over Daily Activities of the Men?

Salespower kept a close check on the daily workload, substituting men for those who might be ill or otherwise indisposed. However, two daily phone calls were made by each man to his local Salespower supervisor. In addition, call reports were made out each day with sealed copies going to the local jobber and Dow marketing headquarters in Midland, Mich. Salespower retained no copies of correspondence. As an added control, Salespower supervisors made constant spot checks in the field to maintain close control over performance.

What Were the Salesmen's Duties?

They were to accomplish three things:

1. Tell the Dowgard story to the prospect.

2. Answer any of the dealer's questions.

3. Ask for the order. If "no," he sent in a report to Dow for their use as general market information. If "yes," card was mailed to jobber for him to fill the order locally. Then the salesman put up P-O-P material, with the jobber scheduled to return with more detailed and comprehensive material. If the prospect's answer was "maybe," the jobber would receive the referral card for the follow-up at a later date.

What Is Salespower, Inc.?

It is a division of Milwaukee's Manpower, Inc. Salespower specializes in deploying groups of salesmen on as little as a week's notice, and to wherever a client company wants to conduct a selling campaign. It employs 15,000 people in over 220 locations in the U.S. and describes itself as an adjunct to the sales manager's sales force. Perhaps the telling point revolves around the organization's ability to give added potency to the gam—stronger implementation of sales campaigns where they are needed, without being hobbled or cramped by a small, full-time sales organization.

Who Are Salespower's Salesmen?

A staff of trained and professional salesmen who wish to work merely on a temporary basis. Some are new in a community and have not as yet located a permanent position. Some are between jobs and require an intermediate activity to tide them over. Finally, many are retired or own their own business but find occasional sales activity desirable.



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TO THE GROWING NUMBER of national consumer magazines that now recognize our way of thinking, and offer advertisers the greater marketing flexibility of regional editions, we say—welcome to the fold!

And a high tip of our hat to BH & G who in announcing their new Southern edition said . . .

"The marketing importance of the states covered by the Southern edition has grown enormously. And the growth continues, with rapid expansion of industry resulting in an increasingly higher standard of living and greater purchasing power."

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Southern Automotive Journal
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W.R.C. Smith Publications *Serving the South and Southwest*

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*Let a representative tell you how these successful magazines can help
speed your sales expansion in the nation's great growth market.*



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growth (and football, too)

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It's one-third the total area of
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It's delivered only one, effective,
low cost way!

The SYRACUSE NEWSPAPERS



CIRCULATION, influence-power, and full market measurement from Moloney, Regan & Schmitt

The SYRACUSE NEWSPAPERS

The Herald-Journal (evening)
The Post-Standard (morning)
The Post-Standard and Herald-American (Sunday)

Sound Off . . .

Much of Sales Management's editorial planning is ignited by subscribers themselves, through their letters-to-the-editors. We welcome not only your reaction to SM articles, but invite you to tell us what subjects you'd like to see us tackle.

distribution was pretty well completed.

"In essence, Dow was actually using the fact that it did not have a nationally marketed anti-freeze, and therefore a competing product, as a sales pitch to prospective private-brand purchasers. At least one of these prospects intimated to us that such lack of market participation approached stupidity.

"Moving quickly," continues Fritts, "we took a sharp look at this market we hoped to sell. Service station dealers were losing the profits they once enjoyed on an anti-freeze installation. Discount houses were selling the product cheaper than the dealer could. People installed the anti-freeze themselves, cutting the labor profit for the dealer as well. Obviously he needed a product which would return his profit and, therefore, his interest in the coolant business.

"Dowgard, of course, fills that bill since it requires a systematic and thorough flush of the system before its installation, something the average motorist is not equipped to do. To get this new and better product (there's nothing comparable to it on the market as yet), he's got to use his service station dealer.

► "In addition," Fritts continues, "we wanted to get the full-line jobber to call on independent garages and auto dealers as well as service stations. What we want, of course, is to get across a message to these people: we provide a fair volume market for the jobber. But the dealer must strive to sell only first-class service outlets in his exclusive jobbing area.

"At this stage," Fritts goes on, "we established 'test markets' in Spokane, Erie, Pittsfield, and Madison. While the program appeared to be testing what was described as a high-detergent anti-freeze (Dowgard, of course, was still a secret), actually it was a sham designed to pull attention away from home-office preparations. Even our own salesmen were not aware of the true picture at this time. Every possible means was used to keep it under wraps.

"Once we hired our 24 company salesmen to contact jobbers (we screened over 500 men), they received an eight to ten week training course in our product line, salesmanship and the techniques and specialties of this market. Still, they heard nothing of Dowgard. We set up four regional managers and had a 30-foot Dowgard exhibit secretly prepared in Chicago, in anticipation of introduction day. Surprisingly, even this managed to escape detection."

With everything ready, Dow set

January 1960 as the announcement time. Just prior to the announcement, Dow salesmen screened jobbers around the country as possible agents for Dow's standard anti-freeze. The questions, however, were designed to discover the climate for Dowgard, without the knowledge of the salesmen.

Two weeks before the January announcement, Dowgard was revealed to the 24 salesmen. The ad campaign had been set up and placed. Merchandising aids had been prepared and everything was ready to go. During the 2-week period between the announcement to the salesmen and the general January market break, the men received an intense education on the revolutionary nature of Dowgard.

Actually, the product had been used in Dow fleet cars for over two years as part of laboratory tests. Again, no one knew what was in the radiator except the chosen few.

"On January 1," says Fritts, "the product was officially announced. Quickly, the salesmen returned to the field to sign jobbers for Dowgard. Slowly, certain facts began to appear. Because of secrecy, so necessary to the product's development, the trade ad breaks had to be delayed until February issues. Therefore, dealers did not have their first real exposure to the product until February. This meant, of course, that for the full month of January, following the break, Dow jobber salesmen were calling on dealers who never heard of it."

► On March 31, Dow led off with the first TV show, and printed consumer ads hit on April 5. "We were shooting for a late spring saturation on the dealer end," adds John Strouss, "so that we could dramatize the year-around nature of Dowgard, simply because it can be just as effectively installed in the spring, or even summer, as in the winter. The time left for this kind of acceptance was indeed short."

By late April Dow saw that the introduction was not moving as fast as had been planned. Several courses of action were discussed, with an eye to speeding things up. Possibly a telephone campaign could be conducted in order to reach the greatest number of dealers quickly. This was vetoed. Perhaps an unusual incentive program for dealers would do the trick—vetoed for lack of time. Even a teaser ad campaign received attention, but was turned down.

Salespower, Inc., had already been considered as a vehicle for the telephone campaign suggestion. When that was turned down, Lou Sidman, a Salespower vice president, suggested

THERE CAN BE ONLY ONE FIRST! IN HOUSTON IT'S THE HOUSTON POST DAILY AND SUNDAY IN NET PAID ABC TOTAL CIRCULATION

DON'T BE MISLED—HERE ARE THE FACTS:

	<u>Daily</u>		<u>Sunday</u>
POST	215,063 <small>(Monday-Saturday 6-day average)</small>		232,101
Chronicle	199,128 <small>(Monday-Friday 5-day average)</small>	185,533 <small>(Saturday only)</small>	226,490
Press	102,590 <small>(Monday-Friday 5-day average)</small>	90,654 <small>(Saturday only)</small>	Source: ABC Pub- lisher's Statements for 6 months end- ing March 31, 1960 and subject to audit

THE HOUSTON POST



Houston's largest newspaper in total daily and Sunday circulation

Represented nationally by Moloney, Regan & Schmitt

that his organization supply sufficient salesmen to blitz the great number of dealers in the shortest period of time.

The idea jelled quickly. Sidman promised to accomplish the distribution miracle in 15 working days. Says Fritts: "We told him, 'If you can work that fast, you've got a job.'"

"Within 15 days of the suggestion," he continues, "we had selected 43 markets nationally, containing the greatest number of car registrations—the best potential for our product, of course. Salespower offices in these 43 areas began screening potential sales-

men for us and hiring for the 'assault.' We used our 24 company salesmen as teachers and sent them around to the offices to make decisions on the men Salespower lined up for us. The campaign was set up for 236 Salespower salesmen to make 15 completed calls a day for 15 working days in order to reach 52,000 leading service outlets. Within the same ten days we prepared and distributed specialized introduction material for these temporary salesmen."

During the campaign, Fritts kept running daily tabulations of (1) calls

in each market, (2) dealers sold and (3) referrals to local jobbers. He often spoke with Salespower management several times a day. "Then," he adds, "we prepared IBM listings of the dealers by these three categories and discovered that we had the best pre-screened mailing list we had ever had. It was a distillate of ideal Dowgard prospects. The IBM lists were then sent to the local jobber in order to give him an idea of what the Salespower campaign had done for him."

"An underlying problem, now that Dowgard is launched, is the never-ending education necessary to establish the product as different from the older anti-freeze. We are plagued by the idea that coolants can be installed only at the beginning of winter. We strive continually for a way to get this vital message across. It will take the seasonal aspects out of the sale of this product and make it much more attractive to the retail service outlet."

"Yes," adds Strouss, "compared to doing the same job with a specially hired sales force of your own, especially considering the time factor with which we were faced, the cost of these temporary men was quite fair."

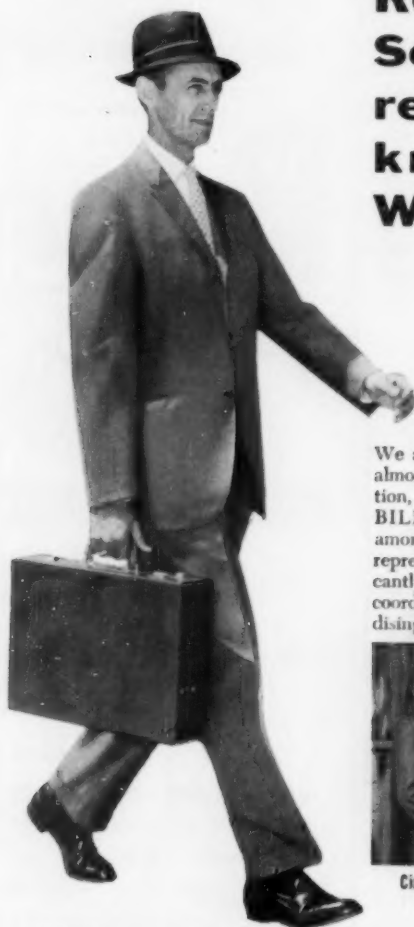
► "In terms of traveling time from main offices and elsewhere, we saved considerable expense due to the localized nature of Salespower's operation. Of course, the over-all results of the 'blitz' have been wonderful. In fact, not too long after completion of the first use of these temporary salesmen, we used selected ones again to accompany our jobber salesmen in calling on the service stations and garages. This time, the part-time men served us from the other side of the fence."

"Certainly," continues Strouss, "there is the possibility that we will use them again because of the peculiar nature of our markets. We have to fight the old idea of spring pushes on the part of coolant jobbers as well as retail service outlets. Until they accept the year-round concept of Dowgard, we'll have to hit them again and again. Quite possibly, this effort will require temporary sales help."

The results of the 15-day sales blitz are taking shape. At the time the first Salespower project began, Dow had already attained average national distribution of its product, by accepted marketing standards. When the "assault" came to a close, the company had more than doubled this distribution as a combined result of Salespower's intense efforts and the ensuing increased efforts of Dow's existing dealers and jobbers. ♦

RAK

The Moloney, Regan and Schmitt representative knows WORCESTER



Moloney, Regan and Schmitt's association with the Worcester Telegram-Gazette goes back to 1920. We are proud, not only of this long connection but also of each representative's qualifications to answer your questions about Worcester.

We are proud, too, that Worcester with almost 600,000 people (48th in population, 43rd in E.B.I. . . . and an important BILLION DOLLAR County) ranks among the "TOP 50" Markets. Worcester represents big business to you, significantly important for you to examine our coordinated, dividend-paying, merchandising cooperation.



Circulation: Daily 155,015 — Sunday 103,332

WORCESTER MARKET — The home of twelve colleges and universities, the finest Art Museum of its size in the nation, and the 101 year old Music Festival — "a week of the world's finest music".

WORCESTER TELEGRAM

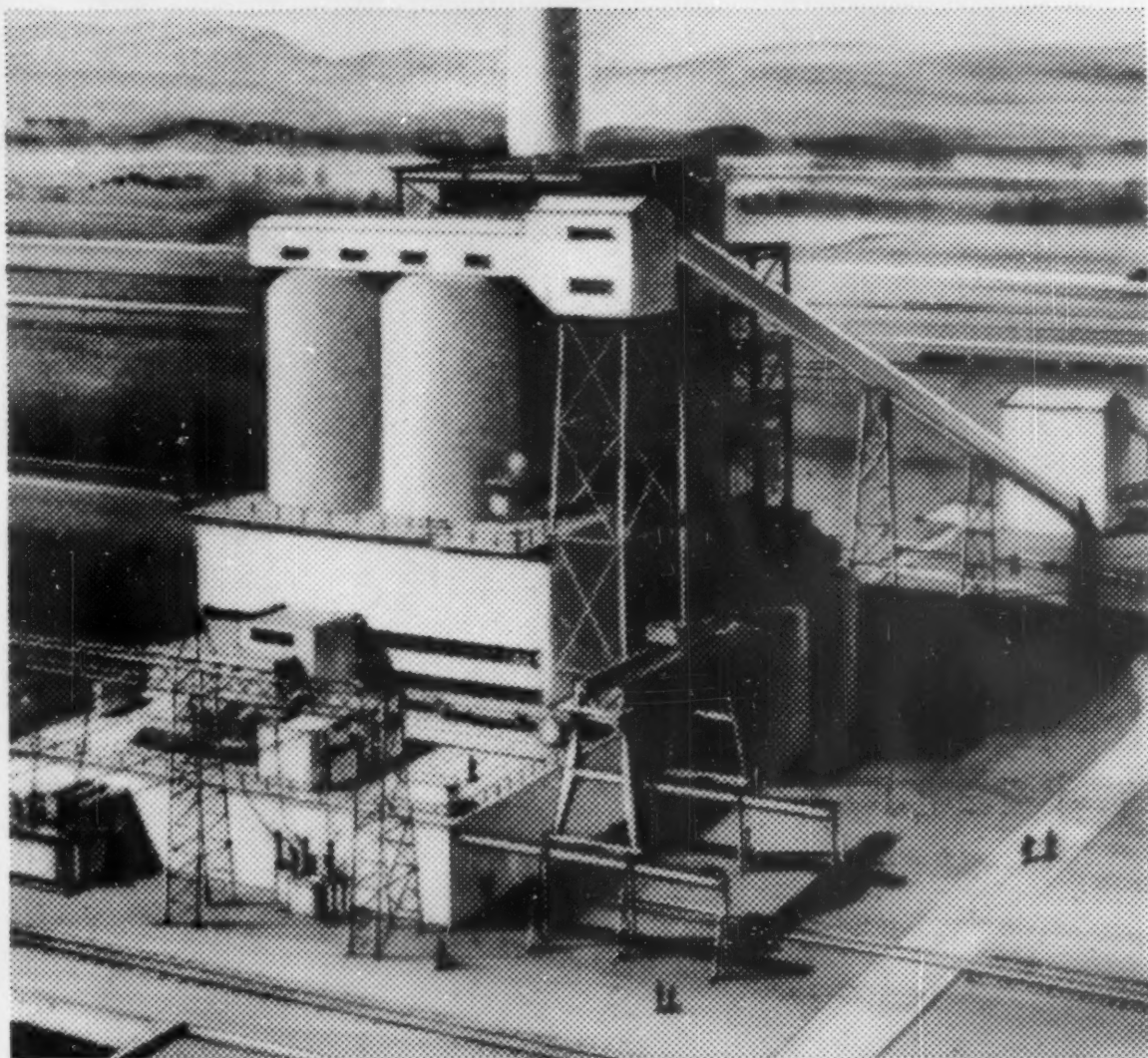
The Evening Gazette

SUNDAY TELEGRAM

Owners of Radio Stations WTAG and WTAG-FM



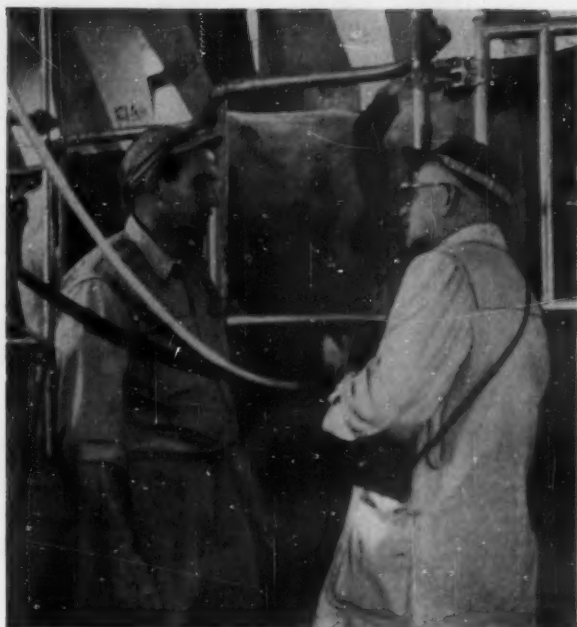
This power plant will be placed in service early in 1961, It will call for \$1,395,000 worth of switchgear.



Whose switchgear are they reading about
in POWER ENGINEERING?

**Capture 4 million farmers'
undivided attention...**





**Local names...local places...local news...local faces
give your ads more readership and believability**

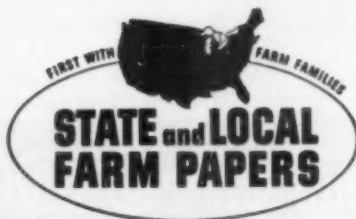
Add readership and believability—the guts of selling advertising—to your media schedule with State and Local Farm Papers. Independent surveys prove that they top all other farm publications in both!

To keep your prospects reading and believing, local editing takes advantage of differences in climate and farming practices. Over one hundred fifty editors travel over a million miles a year and make thousands of local calls to edit State and Local Farm Papers close to your customers.

They travel the byways gathering local pictures, local names, and local news. This local effort puts your ads on a neighbor to neighbor basis with the \$40 billion farm market . . . and 4 million farmers. You know how well familiar names can sell.

You can match State and Local Farm Paper circulation to your markets and outlets, too. Give your ads every opportunity to spark fast, powerful sales action. Get the full story—Write State and Local Farm Papers, Room 1600, 28 E. Jackson Blvd., Chicago 4, Illinois.

*Find out more about the rich farm market . . . Explore the great potential it offers.
Write for booklet—"Farmland USA." State and Local Farm Papers, Room 1600,
28 East Jackson Boulevard, Chicago 4, Illinois.*



American Agriculturist
Arizona Farmer Ranchman
California Farmer
Colorado Rancher & Farmer
Dakota Farmer
The Farmer
The Farmer Stockman
Florida Grower & Rancher

Idaho Farmer
Kansas Farmer
Michigan Farmer
Missouri Ruralist

Montana Farmer-Stockman
Nebraska Farmer
New England Homestead
Ohio Farmer

Oregon Farmer
Pennsylvania Farmer
Prairie Farmer
Rural New Yorker
Southern Planter
Utah Farmer
Wallaces Farmer
Washington Farmer
Wisconsin Agriculturist

The Farmer-Stockman's penetrating coverage
gets greatest Sales-Results in

Texhoma-Land*

* RURAL TEXAS AND OKLAHOMA

For example: Mr. George F. McKay, President of the
Edge-Rite Corp. of Brownwood, Texas says:



**"I know when
our advertising
gets results"**

"Ours is a manufacturing business. ALL orders we get for Edge-Rite Power Sprayers must come as a result of our advertising."

"Although the Farmer-Stockman has always been a good producer for us, our returns have increased materially since its page size was enlarged. In fact, the Farmer-Stockman produces more business for us per dollar invested than any other general farm magazine we use."

"Our experience makes us believe that a magazine locally edited—like the Farmer-Stockman—is much more effective than a magazine containing broad editorial treatment . . . and circulating in a large area."

★ ★ ★

SALES-RESULTS LIKE THIS explain why more and more advertisers are using the Farmer-Stockman to SELL in this rich market! It gives them the most effective, lowest-cost coverage in Texhoma-Land!* For space reservations—or additional data, write, wire or phone your nearest Farmer-Stockman office now!

The product manufactured and advertised by the Edge-Rite Corporation is a power sprayer unit that sells for \$79.95. The Edge-Rite is recommended for more than 20 types of spraying jobs around the ranch or farm.

* Rural Texas and Oklahoma

436,476 total paid subscribers

The Farmer-Stockman

OKLAHOMA CITY • DALLAS

Director of Advertising, J. H. Hunter

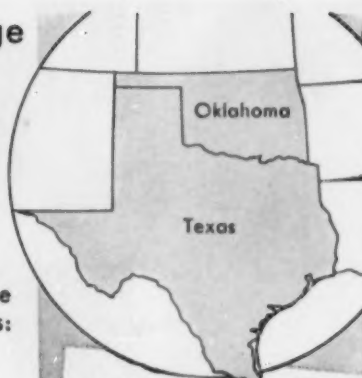
SALES OFFICES:

CHICAGO 11, Superior 7-6145
400 N. Michigan Avenue
Leo Mainline, Mgr.

NEW YORK 17, Murray Hill 4-3340
420 Lexington Avenue
Joe Paulsen, Mgr.

OKLAHOMA CITY 1, Central 2-3211
300 N. Broadway
Bill Pullen, Mgr.

DALLAS 5, Lakeside 1-3121
4321 N. Central Expressway
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For years—
Edited IN Texas FOR Texans!



For years—
Edited IN Oklahoma
FOR Oklahomans!



Make Your Sales Aids Come Alive

"Spectacular"—that's what companies like Du Pont, 3M, Martin, Leeds & Northrup are saying about a new way of animating their sales displays. This simple new process is also said to be much faster and less expensive than most conventional methods.

Several leading companies are now injecting new life into their visual sales aids.

By combining polarized light and cellophane tape, marketers can now animate everything from color slides to sales displays—as realistically as wheels moving, gears meshing, or the flaming exhaust of an engine.

So "spectacular" are the results, that this process could revolutionize most types of visual sales and advertising devices—including sales training aids, sales presentations, outdoor and point-of-purchase advertising, even TV commercials.

Moreover, this is such a relatively simple process that it can be produced at least 80% faster and for thousands of dollars less than most conventional methods of animation. It is also available in do-it-yourself kits.

The process has already been put to a wide variety of uses. For instance:

- The Martin Co. reports that it did a "fine, fast job" of animating the functions and differences of the company's two conversion systems and of demonstrating its intricate nuclear exhibit at a recent atomic show.

- Minnesota Mining and Manufacturing Co. (3M) used the process to add new movement and depth to its exhibit at the recent national sanitary show in Miami, Fla. The 3M exhibit featured the showing of maintenance floor pads which seemingly revolved and emitted a fine, mist spray.

- Leeds & Northrup Co. credits it as the only method capable of successfully demonstrating the inner workings of its intricate metal heat-treating furnaces.

- Du Pont used it to depict properties of one of its varnish products and to show the product's resistance to sun rays.

- Boeing Airplane Co. employed the process to illustrate properties of two different helicopters; American Car & Foundry, to depict a railroad car unloading device; E. F. Houghton Co., to illustrate in composite form a product flowing from a can, lubricating of a moving lathe, and heat variables.

According to Herbert Dunlevie, president of Tech Antares Corp., Wilmington, Del., the process is designed to produce any moving image as precisely as the most advanced animated motion picture. Wheels moving, colors erupting, lightning flashing, fuel surging through jet engines, blood filtering, or gears mesh-

How the Animation Process Works

1. Drawings of sales aids are photographed to obtain transparencies for rotating on a polaroid disc. Plastic materials in various patterns are then combined to achieve the animated effects desired.

2. Pressure-sensitive tape—"Scotch" brand No. 600 cellophane tape—and Polaroid film are cut into narrow strips from rolls that are 1 to 2 ft. wide. Up to 20 strips can be cut simultaneously.

3. The film strips are adhered to the tape strips, after being further cut to the minute patterns desired. The strips are then placed on the back of the transparency, which is sandwiched between two sheets of Plexiglas sealed on the edges with tape.

4. The "sandwich" is placed either in a view box or upon a projector and subjected to rotary polarization. To achieve the illusion of motion, the disc is rotated between the light source and picture.



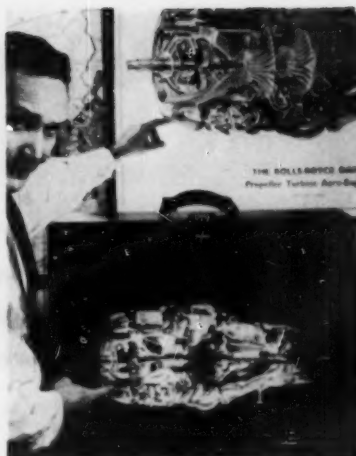
The result: an amazing series of actions with vivid colors that make even the most sophisticated mechanical system easy to understand. Added color tones, for more precise effects, can be achieved by cutting out colored motion materials and also placing them behind the transparency.

ing—all of these and much more—can now be witnessed in colorful detail.

The new visual process, perfected a year ago by Tech Antares, is being used to train many salesmen and has reduced training sessions by as much as 50%—simply because it enables them to see exactly what is being taught.

► The process—called "Polar-Action"—takes advantage of the ability of polarized light to shine in myriad colors when the light strikes birefractory crystals. This gives the illusion of motion when a polaroid disc is revolved between the light source and the subject to be animated.

It is believed that this is the first time a single display process has been able to create action that not only provides effects ranging from flicks and flows to explosions, but also can be regulated as to speed and direction. For example, action can be adjusted to move in many different directions at the same time and at four different speeds. What's more, it can be reversed by simply reversing a rotating disc, and accelerated or slowed by changing the speed of rotation. The process can even make water flow up hill.



SPECTACULAR sales aid shows even the most intricate parts of an engine in motion. Action includes flow of gases, ignition, gears turning, etc.

The process can easily bring to life the most complicated piece of machinery, with differential and reciprocal motion and even red flames belching from the exhaust. One of the most recent accomplishments was a depiction of a huge atomic reactor system

running in full, brilliant color on the side of a Wilmington building. This was projected from a disc-rotator apparatus not much larger than an attache case.

A main attraction of the process is the time saving involved. In conventional cell-type animation, individual cells of art representation must be prepared and then photographed—a time-consuming process. However, the polarized process places all of the action on one plate which can be photographed in one continuous "take" from either a front or rear projection screen or light-box.

A short demonstration color film of a complex piece of machinery may cost thousands of dollars if made with numerous drawings, while the same illusion is produced by this process for as little as \$1,000, in a single drawing.

Tech Antares fabricates ready-prepared plates as well as a complete kit which enables users to apply the motion effects to their own transparencies. Each contains a number of sheets of pre-fabricated colors and motions plus certain other materials and instructions which assist in the home creation of animated transparencies. ♦

HIRING SALESMEN?

**Write for a free sample of our
specialized application blank**

In evaluating applicants for sales jobs, your company needs detailed information of the education, background, sales experience and individual characteristics of each prospective employee.

To fill this need, SALES MANAGEMENT has prepared specialized "application for employment" blanks developed from a consensus among experts on hiring salesmen. These detailed four-page forms will give you all the basic information you need on each applicant. They have been approved by legal experts as conforming to the New York state anti-discrimination law, regarded as the strictest of any state in the nation.

A free sample of this "application for employment" blank will be provided, with a price list, on request. Write—

SALES MANAGEMENT

630 Third Ave.

New York 17, N. Y.

Greensboro-

GREEN THUMB

OF THE
NEW SOUTH'S
MARKETS

15th in Total Retail Sales

**General
Merchandise
Sales Grow Faster
in Greensboro**



Richest soil for increased sales today is the NEW South—with over one-fifth of the nation's top metropolitan markets concentrated in an 11-state area. In the 25 top markets of the NEW South, Greensboro ranks 15th in total retail sales—closely following Richmond, Norfolk-Portsmouth, and outselling such key markets as Charlotte and Mobile. Helping you harvest this fertile market at minimum cost is the Greensboro News & Record—the only medium with dominant coverage in the Greensboro Market and selling influence in over half of North Carolina. Over 100,000 circulation; over 400,000 readers.

GREENSBORO . . . 1st Market in the Carolinas . . . 79th in the Nation.

Write on company letterhead for

"1959 Major U.S. Markets Analysis" Brochure of all 292 Metropolitan Markets.

Greensboro News and Record

GREENSBORO, NORTH CAROLINA • Represented Nationally by Jann & Kelley, Inc.

Vanity: The Foot in the Door For American Photocopy Salesmen

Point a camera at someone and you'll get, in nine cases out of ten, a stereotyped response: the surreptitious search for a pocket comb, the careful rearrangement of features into a benign expression. That's vanity. And 50 sales representatives of American Photocopy Equipment Co. (Evanston, Ill.) found a way to make vanity work for them by the simple device of pointing a Polaroid Land camera at prospects and later presenting the glossy print—developed in a mere 60 seconds—to the current target.

These 50 men now own the cameras that they used. The cameras were lent to them during a sales contest planned to help the salesmen overshoot their quotas. The entire APECO sales force, 320-strong, was lent equipment for a short period, taught how to handle the camera that develops its own prints, and told that some of them, at least, would come out of the contest owning the sales weapon they had used.

Here's how it worked: When an APECO machine—either a photocopy unit, punching and binding machine, or plastic laminator—was sold, the salesman asked for a referral and, if he got one, thanked the prospect and said, "May I take your picture?" In almost every case—here vanity reared its head—the customer said, "Sure."

With the referral in hand, the salesman sought out the new prospect like this: "Here," he said, handing over the picture, "is Jim Smith of the XXX Company. He just bought a unit for his office and thought you would be interested in one, too."

Says Arnold Perry, APECO sales manager: "The photo was a new twist over conventional verbal referrals, and an effective one. It pleased the customer who had just bought a machine—what executive isn't flattered at having his picture taken, even if he won't admit it? Such a customer is especially apt to produce valuable leads."

Perry reports that a number of his enterprising salesmen also took pictures of existing applications to demonstrate to prospects how the equipment could be used in their offices. Others photographed the directories in lobbies of office buildings for later

1
APECO salesman takes two photographs of a new customer who has just purchased a photocopy machine. The salesman also asks the customer for the name of a prospect who might be interested in APECO products.



2
SALESMAN presents one of the pictures to the customer as a token of thanks for recommending the prospect. The photographs, taken with a Polaroid Land camera, are automatically developed into glossy prints in 60 seconds.

3
PHOTO of the customer is given to the prospect by APECO salesman. Noting that the customer bought a photocopier, the salesman then tries to sell the prospect. If he's persistent, a long series of sales is made in this way.



study. These salesmen, he thinks, are star caliber. They found ingenious uses for a Polaroid, added powerful ammunition to their sales portfolios.

The company had only modest expectations when it launched the contest. It was amazed at the creative bent some of its men showed in using the cameras. Temporary ownership of such a camera served to whet the appetite to own it. And most men took

the Polaroid home, snapped the family and won their support in the contest.

"An extremely successful campaign," concludes Perry. "Successful both in terms of increased sales and in building good will between salesmen and customers."

The good will was enhanced when the salesmen sent photos of their customers to them with a note of thanks for the referral. ♦

here's the essence of persuasive packaging



The Answer Man! Got a question about packaging? Your **Gardner Sales Representative** has the answer—resourceful, sales-powered Persuasive Packaging.



New Whether Predictor! To buy, or not to buy? **Gardner Market Research** finds the answers and the reasons why—to guide the development of your package.



Shape of Things to Come! In **Gardner Structural Design** market-oriented ideas achieve form and function. Creativity is shaped by utilization and sales factors.



What does an idea look like? Guided by research, **Gardner Graphic Design** applies color, type, and imagination to produce a design that changes lookers into buyers.



Nuts and Bolts! **Gardner Machine Application** adapts your production machinery to your new packaging program—efficiently and most economically!



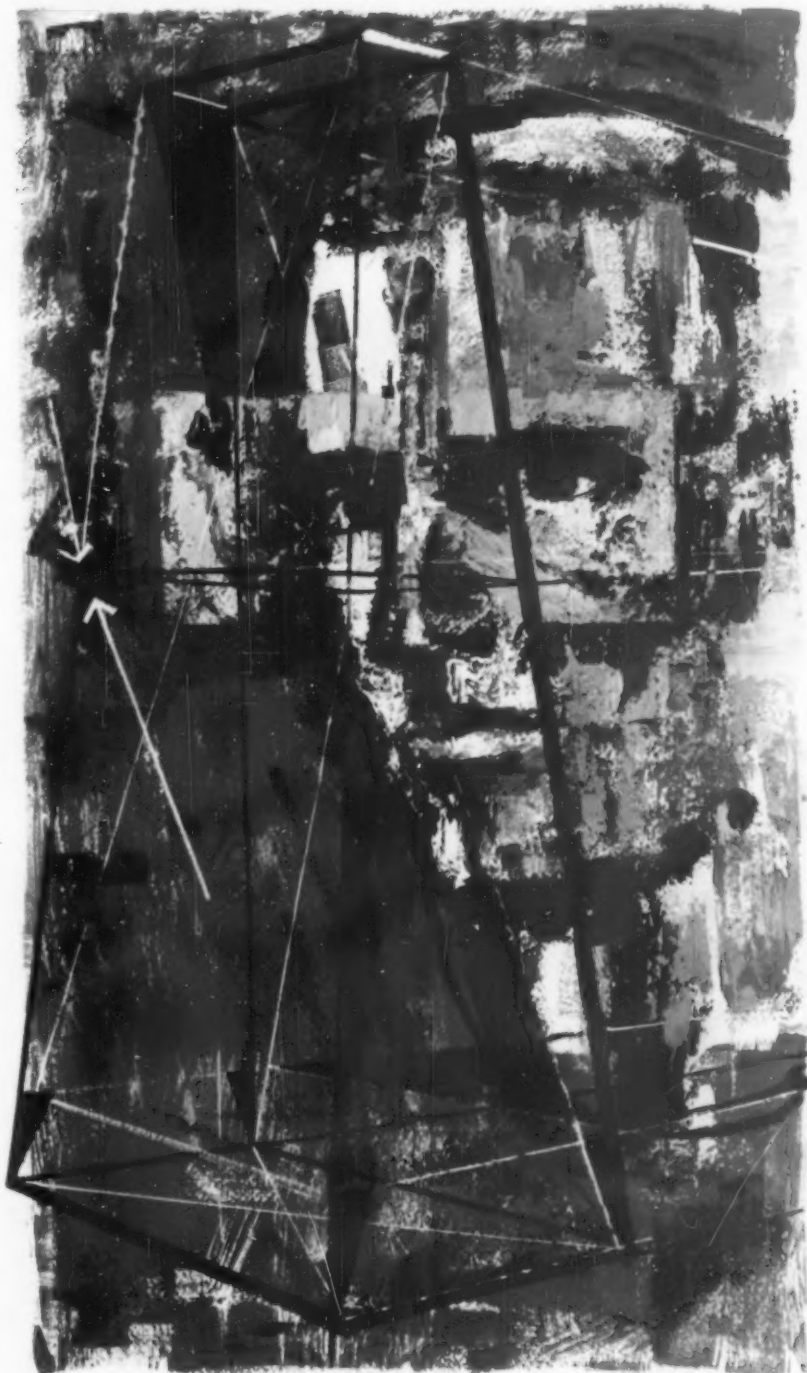
Hypothesis meets the Housewife! Is it really a good idea? Will it sell? If it passes **Gardner Package Testing**, you'll see it—if not, back to the drawing board.

* SHAPE OF THINGS TO COME?

Could be "count down" on the launching of an easier-to-use, easier-to-sell Persuasive Packaging format for you. Gardner Structural Design people are interested in just one thing—package function—how to make your package easier to fill, ship, display, use and **sell**. It's here that the package criteria established by our market research achieves form and function. Box-board is cut, bent and twisted until a new, more effective package shape is evolved. One that sells! ¶ Expert, imaginative Structural Design counsel—another at-your-service Persuasive Packaging plus—yours when you employ the resources of this completely coordinated new packaging concept—Persuasive Packaging. Could your packaging stand a new bend? How about your sales curve? We'll be glad to help you with the launching—just call us.



DIAMOND NATIONAL
THE GARDNER DIVISION
MIDDLETOWN, OHIO



WORKING EXAMPLE OF PERSUASIVE PACKAGING

Look what's happened to Ovaltine. New image, new convenience, new sales power—a perfect example of Persuasive Packaging in action. ¶ It all started with an imaginative Gardner Sales Rep. After several discussions with Ovaltine Food Products, he called in Market Research to study the Ovaltine packaging program and market. Research recommendations included: brighter, harder-selling package design; a new image with broader market appeal; convenient, individually wrapped portions (tests confirmed the superiority of folding cartons in individual packaging); and the proper size and number of packets per package. Market studies also confirmed that by switching to a folding carton, Ovaltine would be moved up to improved eye-level shelf position. ¶ As you can see, the new package, created by Structural and Graphic Design, carries out the research recommendations. Front and back pictorial panels show Ovaltine as an inviting refreshment, warm or cold. Vertical and horizontal panel designs permit good display however the product is stacked. Inside, individual serving packets provide new convenience and product protection against moisture. ¶ Machine Development, too, played an important role by recommending a choice of two standard machines for more efficient, economical handling of the new package. ¶ To round out the program, the new package was test-marketed and is now being readied for nationwide distribution. ¶ Another Persuasive Packaging mission accomplished—successfully.



DIAMOND NATIONAL
THE GARDNER DIVISION
MIDDLETOWN, OHIO



Where Do Sales Execs Get Their Ideas?

Whether it comes while shaving, polishing the family's shoes or waiting for a stop light, the real moment of creativity, say these top sales execs, is usually more offbeat than not.

At 20,000 feet up, William H. Slomp once planned a complete program of residential product marketing for his company, Kaiser Aluminum. For Slomp, who is Kaiser's manager of residential business development, this was nothing unusual—he always



comes up with his best ideas in the brief relaxed time of a plane ride, between business activities.

Pacific Industries' Robert Gilmore gets his brainstorming while sitting out stop lights in his car—preferably after dark. "Because I'm at leisure. . . . The mind is released from close concentration and free to examine what emerges from the subconscious."

These two sales execs are not alone in their discovery that ideas come best at odd moments. Among the two dozen or so top marketing men SM quizzed on where and when ideas come, the consensus was against business hours, and business activities.

It seems to be a case of lining up the particulars involved—mentally setting the scene—and then letting the creativity spring forth at some later, relaxed moment. And there apparently is no limit to the kinds of offbeat moments that will produce the creative genius.

"I'll never buy an electric shaver," says one sales exec, "I'd be cutting off my most fertile source of original thinking." Shaving, it seems, is a

ritual that releases inspiration in more men than almost any other regular activity.

Hugo O'Detto, western regional sales manager, The Parker Pen Co., explains it this way: "For my really deep thinking, I use the shaving technique. The bathroom is the quietest place in the house—the door is locked, the children can't interrupt. Which brings us to the real factor: the face in the mirror. When I'm shaving I'm looking at myself. You can't fool a person who's looking straight at you. What I'm getting at, is, you have to be truthful with yourself. And you examine your plans and ideas for the work ahead with clear eyes."

With O'Detto, as with all of the men whose idea-production processes we explored, the "shaving technique" (or whatever their individual device for tapping the subconscious) was the culminating stage. Idea sources fed into the mind, to be taken hold of by the subconscious and there go through their mysterious metamorphosis, often



first come from field trips. O'Detto strongly recommends to the sales executive that he get his conscious mind well stocked with the raw material of ideas during field trips.

"In my experience, more practical and specific ideas have their inception in the field than anywhere else. They may be weighed, scrutinized, sifted,



at the desk and left to lie fallow. But more often than not it is before the shaving mirror that the right ones pop up in the right perspective for utilization, or some surprise re-formulation out of the depths of the mind."



The man who finds his thoughts falling into place and new ideas flashing to the surface while shining the family's shoes is R. M. Gerber, Kaiser Aluminum's manager of the Building Products Division and responsible for sales, sales promotion and distribution for such products as Shade Screening and Diamond-Rib roofing and siding.

Besides shining shoes for inspiration, he finishes antique furniture. Why are these particular activities conducive to clear and productive thought?

"Like most people whose jobs cannot be measured and viewed in terms of physical accomplishment," Gerber suggests, "I may get frustrated and feel my mind tied up at the end of the day. Close application to administrative detail concentrates and channels the thinking. Changing over to purely physical activity, something that requires little or no attentive thought but vigorously exercises the body, somehow releases the tensions. While I'm consciously thinking of nothing, ideas start coming to the surface, apparently at random, but

ARLINGTON..



for effective training

Write as you talk, command attention with paper pad or chalkboard speeches. Can be used for flip chart or card chart presentations.

Easel folds in a jiffy. Lightweight, easily carried in case.



Hinged clamp makes pad changing easy. Four leg construction gives extra rigidity.



Arlington's easel is 72" high and features a chalkboard 29" x 40"—weighs 15 lbs.

405—5-way easel	\$42.50
410—4 paper pads	12.00
412—Pad clip (holds charts flat)	3.00
414—Easel carrying case	12.50
430—Flannelboard accessory	7.00

ARLINGTON
ALUMINUM COMPANY
19005 W. Davison, Detroit 23, Michigan

Please send me free information on 5-way presentation easel.

Name _____
Title _____
Company _____
Address _____
City _____ Zone _____ State _____

often turning out to be useful, practical and original."

Ralph W. Seely, vice president in charge of sales for Columbia-Geneva Steel Division of U. S. Steel, finds reading—reading for pleasure—one of his best idea-generating occupations. "Most of my ideas are generated by reading," he told us, "and developed through association. The germ of an idea starts; I may talk about it with someone else, get into a discussion; it takes form, starts adding up. Two or more ideas may come together to fuse into something new. Much of the development goes on below the surface of conscious reasoning. To the original idea may be added another one while, say, I'm sitting listening to a speech. Something happens . . ."

This something that happens is the real bonus, but it can't be expected, points out Ernest G. Mittelberger, director of marketing for Paul Masson Vineyards. "As I see it," he says "there are a number of steps, the first of which are deliberate and conscious. Let's say you begin by recognizing a problem. Next you look for the solution. This calls for empirical thinking—studying all the factors in the light of your experience and the demands of the situation. You may arrive at a third stage of finding the problem temporarily insoluble; or the solutions that present themselves are inadequate. At this point I let free association take over. I may read a lot, walk in the garden, watch television—but I don't try too hard to force any ideas.

"We'll say my company wants to put out a special promotion of Burgundy wine—to take something simple. Burgundy goes well with steak. People like steak. It has pleasurable associations. How can we bring in the idea of a good steak dinner to help sell Burgundy? Without going through all of the associations that may have led up to it, I'll just say that the idea flashed and we ended up with a package promotion combining a bottle of Burgundy and a pair of handsome steak knives."

A conscious beneficiary of the mysteries of thought processes during sleep is R. M. Douglas, regional manager in charge of wholesale sales for Standard Oil Company of California's San Francisco region. "I've wakened in the night or early morning with some of my best ideas," Douglas says. "I may go to bed thinking about some problem, perhaps be a bit restless, even frustrated, having concentrated on it throughout the day and got nowhere. I give up and fall asleep. Something—call it intuition—takes over and I wake up with the solution."

In the realm of administrative ideas a man can get too involved or tied up, or too close to the challenges while on the job, to have the necessary perspective, Douglas thinks. If a good night's sleep does not loosen up his thinking, he gets out into his garden. "I've worked on the thing point by point on the job and come to no satisfactory conclusion. Realizing that I'm stuck, I walk away from it, let some other level of the mind work on it while I dig in the dirt. That's my way: to get on the creative level through relaxation of strain. I've seen other men, who evidently are geared to work 16 hours a day at a dead run, who thrive on it and come up with productive ideas right on the firing line. It's a matter of individual make-up and temperament."

► One of the firing line thinkers is Jack Davies, director of marketing planning for Fibreboard Paper Products in San Francisco. He gets his best ideas, he says, while talking with salesmen, traveling around with them and exploring their problems, accompanying them on customer calls. "I've never been able to sit down and think up ideas in a vacuum," Davies admits. "Talks, discussions with customers or those close to their problems, such as our salesmen, have proved to be my best stimuli. I find ideas popping up during conversations with others."

Although tossing thoughts back and forth with others is Davies' best stimulus for jogging ideas loose, committee debate, he says, has the opposite effect on him. He's not for it as a medium for generating original thought or solutions to problems. "I like to talk with lots and lots of people, but individually," he emphasizes. "In my experience, most of the best ideas, whether in the realm of new product development, new marketing concepts, or any other original departures, have come from discussions with individuals, not from committee meetings."

The atmosphere of a hospitality room following a meeting, convention or other business or professional get-together has proved the best creative setting for R. J. Harrison, market sales manager of the Electrical Conduit Division, Kaiser Aluminum & Chemical Sales. A meeting of minds under these relaxed conditions, particularly following a technical discussion during the serious phase of a convention, Harrison finds, can be most productive, especially where technically oriented sales personnel are face to face with customer representatives.

"The customer is not in a buying



“THAT P/L statement is a lot prettier than I was able to show you six months ago. I give most of the credit to the New York News. Has more readers in good income families—a half-million in the over-\$10,000 bracket, and more than three million in over-\$5,000 families. We’ve been putting most of our advertising money in the News—and our sales figures reflect it.”

mood, you are not selling him, the two of you can 'tick around ideas that have been brought forward during the convention. The customer lets down his hair."

One of the most successful electrical products ever put out by Harrison's division was born under such circumstances. It was after a mid-winter general meeting of the American Institute of Electrical Engineers. Harrison and a customer were talking over drinks when the customer remarked that he needed a specific kind of cable. . . . The suggestion fired Harrison's own thinking, and eventually led to development of a product that is now a very successful exclusive with his company.

► On the other hand, Gillette N. Houck, assistant to the general manager of the same division, says he gets his best ideas under pressure — when he is under pressure to sell and his customer badly needs a product that perhaps does not even exist in the exact form he can use. The meeting of these two pressures, Houck says, over and over has proved a fertile source of good ideas for him.

"How do I get my most original ideas? From other people," says A. E. Schwatka, divisional sales manager of

Foremost Dairies, Inc. Like sparks struck from an anvil, ideas emerge when several minds make contact under the stimulus of the need to produce, he believes. "Not all people are idea people. Some of us have minds that turn things around or turn them upside down under pressure of discussion and emerge with something new, something that one man, thinking alone, would not come up with."

Schwatka believes it is often a matter of taking something accepted and playing around with it in company with others until you get it in an unconventional light. "Ideas are all around us, but we ignore their possibilities because we've become used to them in some fixed or long-accepted frame or pattern. It's profitable for several persons concerned with the generation of some particular idea or solution to a problem to spin it around, to do a certain amount of brainstorming, never mind if what you come up with looks at first like goofy stuff."

An example of what may happen under such circumstances is the birth of a promotion currently being used by Foremost's fluid milk division. Schwatka explains: "We were trying to formulate ideas for a special mail-

ing piece to plug berries with ice cream. In the back of my mind I had a thought about fortune cookies—the Chinese rice cookies with the fortune on a slip of paper folded inside. How about sending out some of these with a message to dealers along the lines of: 'There's a fortune in handling Foremost products.' What could we do with that in relation to ice cream and berries? Berries? Fortune? Buried (berrie's) treasure . . . there's money in it for the dealer . . . he gets one of the fortune cookies; he opens it and discovers how to find the buried (berried) treasure. . . . You see what I mean?"

And then there was the strong, simple character, addicted to heady meditation in inviolable seclusion who, asked under what conditions his best ideas came to him, said: "On the John." ♦

► For further reading on this subject, reprints of two related articles are available: "Why You Have So Little Time to Think," SM, October 19, 1956 (reprint #334, 25 cents), and "Are You Flunking in Creative Thinking?" SM, December 5, 1958, (#372, 25 cents). Write: Readers' Service Bureau, Sales Management, 630 Third Ave., New York 17, N. Y.

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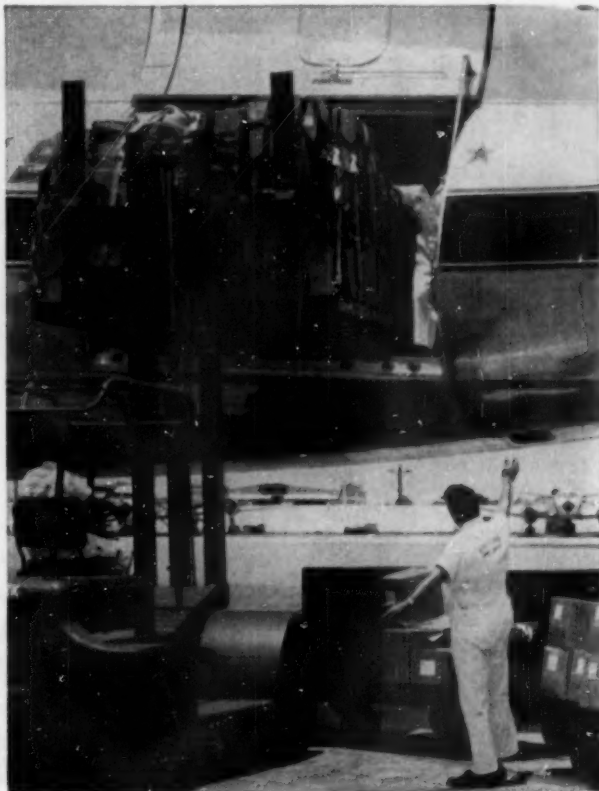
Chicago—Atlanta—Miami—San Juan

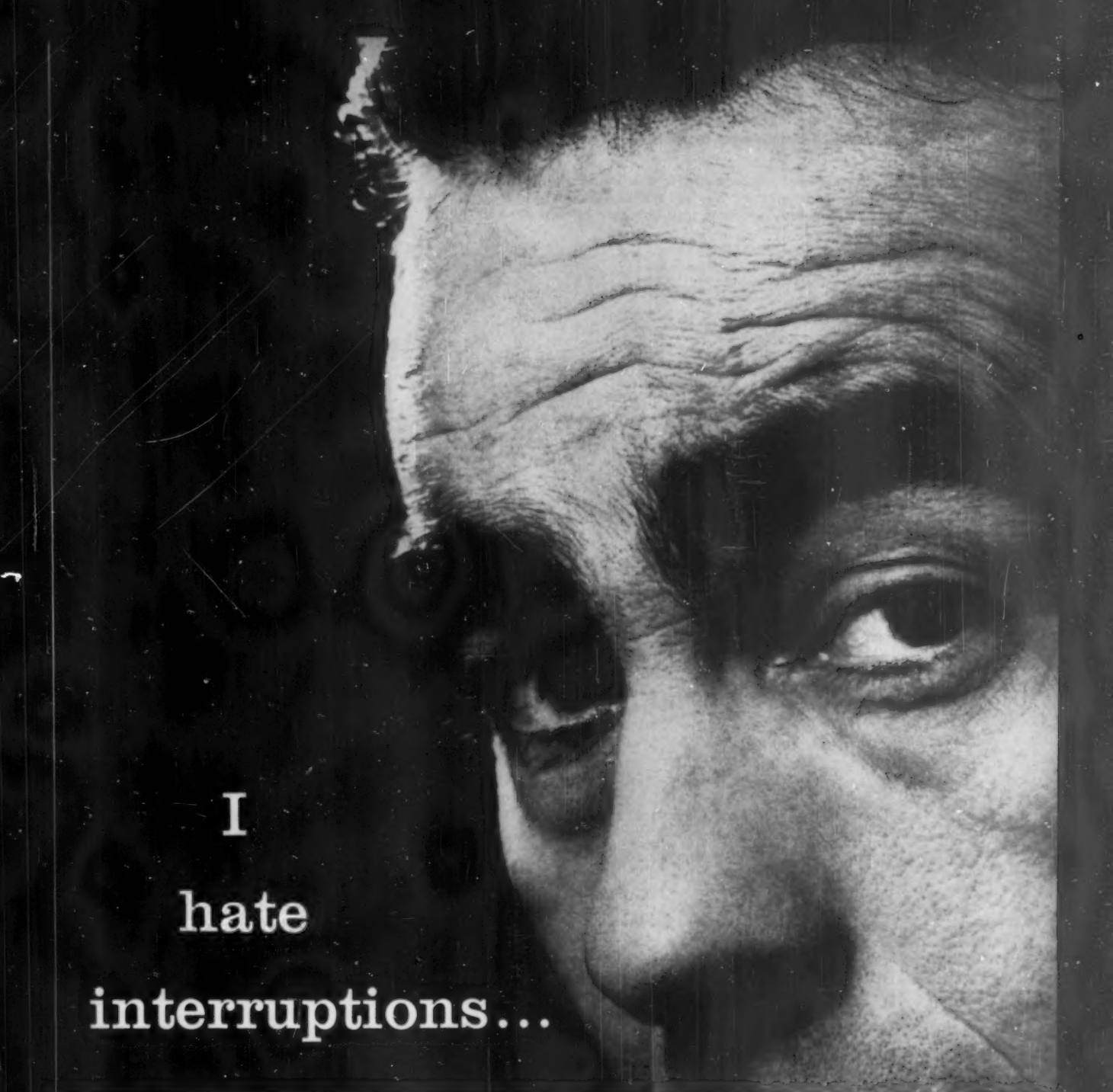
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It's my way of doing business . . . swift, clear and in writing. With the right facts and figures in front of me, I can act fast. And you'll save time and money, too!

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WORTH WRITING FOR . . .

A selection of noteworthy studies of markets, media, consumer buying trends, product and service developments that can pay off for you.

Spot TV Selling Points

Guidebook which summarizes spot television's current dimensions, details essential difference between network and spot television, and demonstrates the wide-ranging choices of the medium in station, market and time selection. Chart illustrations show variations in product usage and brand acceptance, by regions and markets, for coffee, cigarettes and cake mixes—typical of most product lines. It discusses introductory and test campaigns, seasonal drives, principal kinds of locally originated programs, local newscasts, and provides a comparison between the national reach of a prime time announcement schedule and the highest rated network program. Included are details on how leading product groups and advertisers increased their spot television expenditures by \$94 million last year. Write Robert L. Hutton, Vice President, TV Promotion, Edward Petry & Co., Inc., Dept. SM, 3 E. 54th St., New York 22, N.Y.

N.Y. State Building Projects

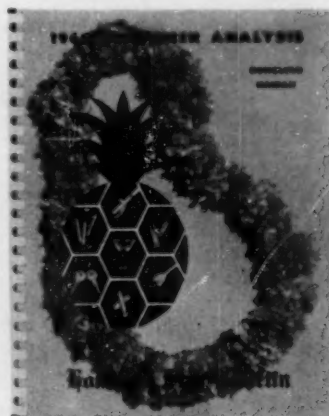
A summary of all building projects in 15 major building classifications designed by architectural and architectural-engineering firms in the State of New York. There are data on types of nonresidential building projects (offices, stores, manufacturing, educational, hospitals, public, religious, public utilities, warehouses) and residential projects (hotels, dormitories, apartments, houses); number of projects; number of architects involved; dollar volume. Write Blake Hughes, Promotion Director, Architectural Record, Dept. SM, 119 W. 40th St., New York 18, N.Y.

Sales Aids from Advertisers

Have you written for these booklets or samples described in recent advertisements in Sales Management?

Delaware Valley Market: Reports of the findings of studies of Delaware Valley U.S.A. Dept. SM, The Philadelphia Inquirer, Philadelphia, Pa.

Tell-All Catalog: Describes each of the 14 ACB services, gives case histories and cost of each service or method of estimating it. Included is a directory of all daily and Sunday newspapers. Dept. SM, The Advertising Checking Bureau, Inc., 353 Park Ave. South, New York 10, N.Y.



The 1960 Oahu Market

Eighth annual Consumer Analysis of the Island of Oahu, Hawaii, market, including Honolulu and Armed Forces restricted areas. In addition to buying habits and brand preferences, the scope this year has been broadened to include data on store distribution of leading brands in retail grocery and drug outlets throughout the Island of Oahu. The 1960, 1959 and 1958 surveys cover the entire island rather than just the City of Honolulu as in years prior to 1958. Write Porter Dickinson, Vice President of Sales, Honolulu Star-Bulletin, Dept. SM, Honolulu, Hawaii.

Color vs. Black-and-White TV

A new comparative study conducted by Burke Marketing Research, Inc., to ascertain the effect on the viewer of color commercials, compared with the same commercials in black-and-white. It reveals that color commercials increase product recall

by two-and-a-half times, and more than triple the impact of an ad. It takes 3,589 black-and-white set viewers to get the same commercial impact as 1,000 color set viewers. The three programs included in the report: Perry Como Show of February 24, with various Kraft products advertised; Dinah Shore Show of April 3, advertising Chevrolet products; Hallmark Hall of Fame of April 10, on which Easter cards and other types of cards were advertised. Write Marjorie Kemme, Dept. SM, Crosley Broadcasting Corp., Crosley Square, 140 W. Ninth St., Cincinnati 2, Ohio.

68-County TV Market

A statistical guide to the 68 counties of Minnesota and Wisconsin served by WCCO-TV. Data cover population, number of families, effective buying income, average family income in each of the counties in the area as well as the Twin City Metropolitan Area (Hennepin and Ramsey Counties). Write Thomas Cousins, Promotion Manager, WCCO-TV, Dept. SM, Minneapolis, Minn.

How to Stimulate Salesmen

A brochure highlighting eight basic motives that spur salesmen on to extra effort: desire for personal gain (money, power, prestige); desire for praise and recognition; avoidance of monotony and boredom; pride of accomplishment; fear and worry; desire to be needed; love of family; conscience (obligation to others). It explains how to put these motives to work to increase selling power by selecting the right merchandise and travel awards for an incentive program. There are details on awards with a wide range of appeal, tips on how to plan sales incentive programs to help build up the company image in the eyes of the salesmen, and suggestions on how to communicate with salesmen. Write James A. Maritz, Sr., President, Maritz Sales Builders, Dept. SM, 4200 Forest Park Blvd., St. Louis, Mo.

Spot Television: A "Telemarketing" study that gives an accurate picture of where your customers are today. Dept. SM, CBS Television Spot Sales, 485 Madison Ave., New York 22, N.Y.

Direct Mail Lists: Catalogue of up-to-date mailing lists for all types of direct mail campaigns. Dept. SM, McGraw-Hill Direct Mail Division, 330 W. 42nd St., New York 36, N.Y.

Sales Building: Fourteen tested ways to build sales and keep sales costs down. Dept. SM, Perrygraf Corp., 1500-L Madison Ave., Maywood, Ill.

Catalogue Service: Fact file on up-to-date information about merchandise the hardware retailer sells and a new directory of manufacturers listing. Dept. SM, Hardware Retailer, Catalogue Service, 964 N. Pennsylvania Ave., Indianapolis 4, Ind.

Top Ten Brands: The full story on Solid Cincinnati. Dept. SM, The Cincinnati Enquirer, Cincinnati, Ohio.

TV Guide Readers: Three-dimensional picture of who reads TV Guide, and how and why. National Advertising Dept. SM, TV Guide, Radnor, Pa.

**This new
National
Yellow Pages
Service**
is the last link
in our marketing
chain...it'll sell
our prospects
right before
they buy!

TELL ME MORE!



Ad Mgr.: Well, it's our one sure way of selling prospects at the point of decision — and moving them to *our* point of sale.

MKTG.DIR.: Use the Yellow Pages to sell?

Ad Mgr.: Right! New NYPS lets us tell people *why* to buy as well as *where*. We can now run the same kind of selling advertising in the Yellow Pages as we use in other media, and reinforce our selling message when people are ready to buy.

MKTG.DIR.: But what about our tricky marketing set-up?

Ad Mgr.: With NYPS, we can buy ads in any combination of over 4000 Yellow Pages directories across the country.

MKTG.DIR.: Do we need 4000 directories?

Ad Mgr.: Probably not. We buy only as many directories as we need to cover our market. There's no waste circulation.

MKTG.DIR.: Sounds good. Let's move on it.

Ad Mgr.: We are — the NYPS rep and the agency are working on a plan right now!



ONE CONTACT/ONE CONTRACT/ONE MONTHLY BILL

For details contact your NYPS representative
through your telephone office.



People, Income, Sales Make the Spokane

the heart **A** of the Pacific Northwest

Any way you measure the total Spokane Market . . . by its people, income or sales . . . the figures greatly exceed its metro data. It's a market that is truly 4 times as big as it looks!

The Spokane Market is the heart of the Pacific Northwest. It includes 36 counties, parts of 4 states. Its net effective income exceeds \$2.1 billion. \$1.4 billion are spent at retail annually by more than 1.1 million residents — that's more people than live in any but the nation's 14 largest metro areas.

Surrounded on all sides by giant mountain ranges, these people are an independent cultural-economic unit. They look to Spokane as their social and trading center. The city is Washington's second largest, and it is 300 or more miles from other cities of comparable size. Spokane is the focal point, the "big city" of the area.

Coverage of this big, rich market by advertising placed in coastal newspapers is impossible. The most effective, economical way to sell the million-billion Spokane Market is with The Spokesman-Review and Spokane Daily Chronicle. They're a one "Newspaper-Buy" — an "A" schedule *must* if you sell in the Pacific Northwest.

"When your business is located here you realize the tremendous size of Spokane's outside market."

Fred B. Utter, Jr.
secretary-treasurer
Utter Motor Co.



METROPOLITAN SPOKANE

Automotive Sales —
\$70,533,000

The Spokesman-Review and Spokane Daily Chronicle reach more than 9 out of 10 families.



RETAIL TRADING ZONE*

Automotive Sales —
\$155,522,000

The Spokesman-Review and Spokane Daily Chronicle reach 7 out of 10 families.



36-COUNTY SPOKANE MARKET

Automotive Sales —
\$262,001,000

The Spokesman-Review and Spokane Daily Chronicle reach approximately 5 out of 10 families.

Combined Daily Circulation Over 160,000 — 86.41% UN-duplicated

*24 complete counties shown. Latest data, with exception of circulation, unavailable for parts of counties defined by A.B.C.

Spokane is a Burgoyne Grocery and Drug Test City.

THE SPOKESMAN-REVIEW SPOKANE DAILY CHRONICLE



Advertising Representatives: Cresmer & Woodward, Inc. Sunday Spokesman-Review carries Metro Sunday comics and This Week Magazine.

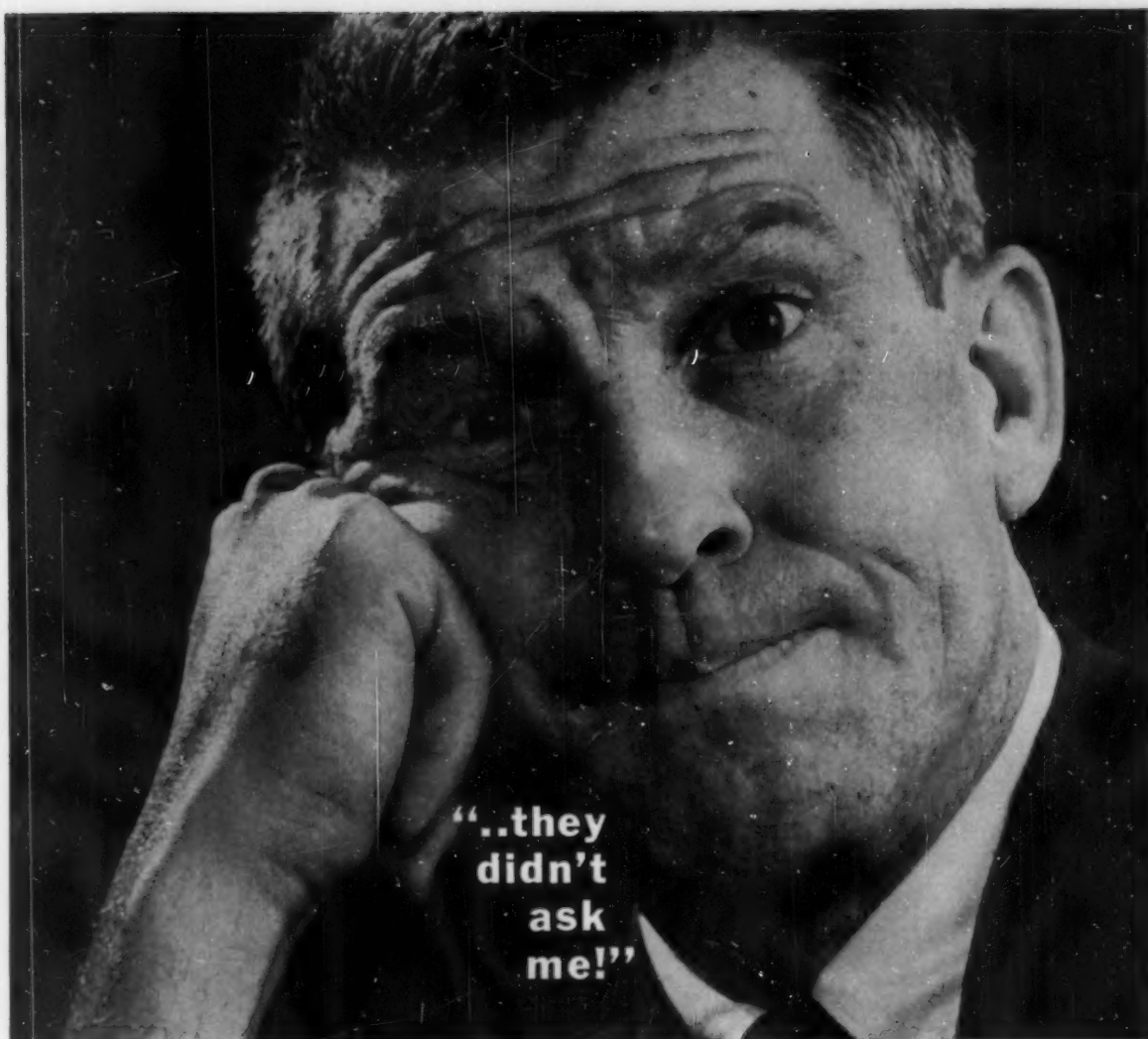
Market **4** TIMES AS BIG AS IT LOOKS

"OUR GROWTH IS GEARED TO THE TREMENDOUS SALES POTENTIAL OF SPOKANE'S OUTSIDE MARKET . . .

"Any businessman would be doing himself and his firm a great disfavor if he were to discount the tremendous sales potential of Spokane's outside market. For example, Metropolitan Spokane is a \$70 million automotive market, but the total Spokane Market tops \$202 million. We get the support of the whole market through the coverage given us by The Spokesman-Review and Spokane Daily Chronicle."

FRED B. UTTER, SR., PRESIDENT
Utter Motor Co., Spokane, Washington





**"..they
didn't
ask
me!"**

The other day we talked to a Detroit Office "rep" of a national magazine whose ad campaign had *not* run in *The Detroit News*.

"I know that *The News* should have been our Detroit newspaper choice for that campaign," he said, "but I wasn't asked."

Sometimes from 700 miles away the Detroit market is likened to other major markets. But Detroit is different! It is an *evening* newspaper market. It is a Detroit *News* market.

Independently-researched facts about the Metropolitan Detroit retail market, including population characteristics, sales patterns and newspaper coverage by income, occupation and ethnic groups, are available on request.

The News outsells the morning paper by 227,362 Sunday and 107,367 weekdays in the big-volume, densely-populated trading area. That's why *The News* carries more advertising than *both* other Detroit newspapers combined.

*Whether you're selling media or medicines, apples or appliances, ask your Detroit people which newspaper is best for your ads. They know Detroit's preference for *The News*!*

The Detroit News

640,079 Sundays—480,673 Weekdays average for 6-month period ending 3/31/60 filed with ABC

New York Office: Suite 1237, 60 E. 42nd St. • Chicago Office: 435 N. Michigan Ave., Tribune Tower
Pacific Office: 785 Market St., San Francisco • Miami Beach: The Leonard Co., 311 Lincoln Road

Let's Get Sales Training Back into This World

By EUGENE WHITMORE



Most sales managers pay lip service, at least, to the virtues of soft sell and the importance of repeat sales rather than the quick, one-shot order. But you don't see it in many of the sales training manuals and films around today, or hear it at the "over-the-top in '60" kind of sales meeting.

If most of today's top salesmen followed the rules, training, advice and suggestions in many a sales training manual, slide film or motion picture now in use, they would not last long among the leaders.

Let's get realistic. Let's bring sales training back into this world. There's too much impossible guff in much sales training literature, and many outright contradictions within the same manual or training course.

Take the matter of planning calls, and the number of calls salesmen are supposed to make daily. The salesman is urged to take more time in planning each call—and also urged or instructed to make more calls. He cannot do both.

Hundreds of sales training efforts are based on the idea of 20 sales calls a day. If not 20 calls, then "more calls." Even for big-ticket items, which are sold only after long negotiations, executives are constantly urging their men to expose themselves more often—to more prospects—to make more contacts, more calls.

In many a typical sales training manual, work-book or slide film, a section on planning follows immediately

after the section on the need for more exposure. The salesmen are instructed to learn more about each individual prospect and to delve into his birth-place, age, education, lodge, church, club memberships, hobbies, length of time in present position.

Once he has put together a comprehensive dossier on his prospects and customers, the salesman is urged to rush out at the crack of dawn and get in ten good calls before lunch-time. And in many cases he is also asked to slip in a few cold-turkey calls between these carefully planned and documented ones. This involves more time in planning and more calls. Such a schedule is impossible to fulfill.

Even in the most provincial territories it is difficult to chalk up a call before 9:14 a.m. There are, between 9:15 and 11:45 a.m., just 150 minutes. Subtract 30 minutes for parking difficulties, another 30 minutes for time consumed in reception rooms, going up and down elevators (if the calls are in tall office buildings), or skipping back and forth across streets (provided the plans have grouped calls in small areas), and we have left only 90 minutes of possible selling time—or nine minutes per call in which to utilize all this data concerning the buyer's ancestry, habits, customs, affiliations, experience and business problems.

And the salesman, as he parks his car late in the afternoon and walks to his motel room, remembers that he

got in only eight calls today, while the sales manual and the divisional sales manager emphatically told him to "plan 20 calls a day."

There are few sales executives who have a realistic perspective and can admit frankly that sales depend not upon the number of calls but upon the effectiveness of calls. What's the good of 20 quick calls a day if they only bring in one small order? The salesmen may have lost 19 potentially good opportunities.

You may say that this is too much emphasis on selling. Perhaps. But how about some of the other sales training follies?

Blind Emphasis on Quality

Ray Eppert, who climbed from a sales job with Burroughs to company presidency, told me that some adding machine salesmen kept taking time to prove that a Burroughs adding machine would add, instead of realizing that the prospect was aware of this, and then going on to prove that the proposed model would earn a handsome return on its cost.

A vast amount of time and effort is put into circulating a lot of hoopla about quality—in sales manuals, in slide films, and at sales meetings. Much of this vague, often generalized emphasis on quality is put in just to satisfy some exec who is not in sales.

The other day I thought of Mr. Eppert's remark as I was listening to a duplicating machine salesman go

through a long, technical, involved pitch about careful machining, case-hardened gears, precise feeding mechanism, guaranteed perfect register, ability to print on heavy stock or onion skin — proving beyond all doubt that his machine was turned out of the factory with loving care. And the prospect said: "Must be a mighty fine machine, but we don't need it." I learned that the salesman had been to a sales meeting the previous night.

What else could the prospect have said? The salesman had made no attempt to ascertain the number of

forms, letters, bulletins or price lists which had to be duplicated regularly. He had said nothing about customer benefits and savings resulting from purchase of the machine. Trying to prove that a product is better than the competition's, without showing the prospect how he may profit by using it, seems to be the pinnacle of folly — yet it is done day after day, week after week.

When J. N. Bauman took charge of the White Motor Co. sales, he found White salesmen able, anxious and willing to prove that White ma-

terials, workmanship and all-around quality led the motor truck field. But prospects had a "nasty" habit of saying, "Oh, I'll admit the White is the best motor truck. But it is still too rich for my blood." Bauman's skill in teaching his salesmen to prove that a White truck would often save 1½ cents a mile, for an individual customer, is one of the reasons he is now president of the company. He concentrated on giving the prospect a reason for buying, based on his own hauling problems, and not solely on claims of quality.

Checking a 1960 sales presentation book for a leather company, I found 24 pages of text and pictures, all designed to demonstrate that the company's belts and billfolds are of top quality. Pictures of hide-selection, cutting, sewing, skiving, and final inspection all added up to a dull story. And there wasn't one word about what the merchant really wants to know: how much to buy, how much space the line requires, what profit can be earned, how long his money will be tied up. A merchant with even a minimum of experience can spot quality when he sees it, and up to a point he is interested in quality. But his real interest, which overshadows all else, is what returns he may enjoy from stocking the line.

Faulty Profit Claims

Many cases where salesmen are taught to picture profits begin with faulty assumptions. Profits are figured on gross sales—not on cost of merchandise. But the men who prepare pitch books, sales manuals, and flip charts usually include: (1) a picture of a slate, with a simple arithmetic problem chalked on it; (2) the simple problem worked out in pure second grade style. Here's an example:

You pay: \$4.80 per dozen.
Selling price: 50 cents each
or \$6 per dozen.
Your profit: \$1.20, or a full 25%.

What's wrong? The profit on \$6 gross intake at 25% is really \$1.50—not \$1.20. The thoughtless writer of the sales talk figures the profit on the bare cost of the merchandise, or \$4.80, hoping to bamboozle the merchant. But merchants have been through this argument with so many salesmen they just overlook it now, if the salesman isn't sharp enough not to use it. The typical merchant in any line figures profit percentage in his head before the salesman has time to tell him what it is. But this is not all: the price is seldom 50 cents — but the usual department store,

(continued on page 108)

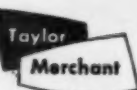
FREE IDEA KIT

Visual
Sales Aids!

Visual
Ideas!

"SELL
ON
SIGHT"

For new ideas
in visual selling aids,
stereos, viewers,
filmstrips and
slides write to:



dept. z9
the taylor-merchant corporation
48 west 48th street, new york 36, n. y.
plaza 7-7700

PLAN YOUR DIRECT MAIL CAMPAIGN PROPERLY— INSURE PERSONAL ATTENTION!

By addressing each individual buying influence by name, you can insure positive delivery and the highest degree of personal attention. This will enable you to trigger the necessary and desired action.

Join the thousands of growing industrial concerns which continuously employ McGraw-Hill's personalized business and industrial mailing lists successfully — to obtain, perhaps, pre-qualified inquiries as leads for their salesmen; to reach and convince out-

of-the-way prospects and hard-to-see buyers; to sell products and services direct; to announce new products or price changes; or to accomplish any other highly specialized objective.

Send for complete details today!

McGraw-Hill Direct Mail Division
330 West 42nd Street
New York 36, New York

Drug store window no substitute for a doctor



The drug store is an important point-of-sale medium. Manufacturers' salesmen fight for space in it. And the druggist displays his fast moving, long profit items. Passing shoppers look, sometimes stop and buy. But a doctor's prescription or recommendation is the surest sales maker for a drug store!

Today much advertising produces nothing but superficial impression—unless the medium commands the attention and respect of its audience.

For fifty-eight years **SUCCESSFUL FARMING** has been the business doctor to the country's best farmers. Every issue has something that helps save work, time, money, get more value out of his farm plant. Like the Harvard Business School, SF uses case studies, actual instances and applications on actual farms.

SF has also been instrumental in remodeling farm homes, installing new bathrooms and modern kitchens, the purchase of appliances; and in helping the farm homemaker plan her days and her work.

So this magazine is not only read, but is studied and believed—has earned a degree of influence with its audience that is unmatched by any other medium. And gets a better reception and response for every advertisement in its pages.

SUCCESSFUL FARMING's circulation isn't big in comparison with today's telephone numbers, but is big enough to selectively cover the country's best farm families—1,300,000. And its circulation represents one of the best class markets to be found anywhere; with an estimated average cash farm income 70% above the national farm average.

If you want your advertising to sell something, put it in **SUCCESSFUL FARMING**. Any SF office can give you the details.

SUCCESSFUL FARMING . . . Des Moines, Chicago, New York, Atlanta, Boston, Cleveland, Detroit, Los Angeles, Minneapolis, Philadelphia, St. Louis, San Francisco.



**ROOM
TO
ROOM**

service spanning the nation

Not just door-to-door, but truly a room-to-room moving service for household goods. Next time you or your employees transfer, call your Wheaton agent for personalized service.



Wheaton
Van Lines, Inc.

General Offices: Indianapolis, Indiana



Your Wheaton agent also moves trade show displays and exhibits, electronic devices, office equipment.

LONG DISTANCE MOVING — 50 STATES

In the West, call

LYON

OVER 525
AGENTS IN ALL
PRINCIPAL CITIES

3RD LARGEST
MARKET IN
ILLINOIS-IOWA



ONE OF THE
**FIRST
100
MARKETS**

Newspapers
sell big in the
Quad-Cities.
To sell the larger
Illinois side, use the
Argus and Dispatch.

56% of Quad-Citians live on
the Illinois side.

QUAD-CITIES LARGEST COMBINED DAILY CIRCULATION

ROCK ISLAND ARGUS
and
MOLINE DISPATCH

REPRESENTED BY ALLEN-KLAPP CO.

At Home Or Office...

... your back issues will always be at your fingertips, in organized sequence, in Sales Management's attractive hard-cover binders. Twelve issues can be bound in and removed quickly. Sales Management stamped in gold lettering on backbone of black, imitation leather binder. Cost: \$4.65 each, postpaid.

Sales Management
630 Third Ave.
New York 17, N.Y.

drugstore, and super market price of 49 cents.

Selling a Program—Not an Order

Although many sales executives no longer direct the salesman to merely "get an order," many others still think, talk, and teach salesmen to consider sales in terms of one order. Check a pile of sales literature, sales training manuals, handbooks, sales films and you'll find a vast number of reports on, or dramatizations of, such tales as: "How I Closed My Biggest Order," "Munrab Closes 10-Case Deal," "My Quickest Sale," and much more of the same—all pretty dull, and all bowing to the "must get the order idea" which reigns in so many sales departments.

These stories, even when true, and good, overlook the prime, number one sales responsibility, which is to sell an intelligent buying program, to create and hold customers, and to cultivate those customers into steady repeat buyers. Getting an order is only the first step in selling any intelligent buying program, which involves customer profit, customer satisfaction and which rises miles above the typical horse-trading hassle over every little shipment.

The bulk of all sales training effort and material is too often devoted to getting only one order, and ignores the fact that even the best product requires intelligent handling by the customer if it is to sell or to perform properly. The product itself is dumb. It cannot talk back, or rise up and say, "Mister, you are treating me wrong. Why don't you give me a fair shake?"

► We need to train salesmen to nurse one order into a steady buying program. Groce-Wearden Co., a progressive food wholesaler, has 800 suppliers, 200 of which offer contracts for advertising, promotion, display or other allowances, which cover some 1,800 different products and items. These allowances change frequently, have time limits, or are hooked into advertising activities. C. A. Dickerson, Jr., one of the company's directors, tells me that only a few salesmen take any time to explain the deals and allowances, or to advise about discontinued deals. It is not uncommon for junior salesmen to make detail calls on stores and turn in orders to wholesalers, based on allowance or promotional deals of which the wholesaler has no record. This is in many cases due to management pressure on salesmen to keep rushing from customer to customer, in search of quick orders but omitting time for servicing and putting the carefully



Markets are like pins...

You can knock them down a few at a time or bowl them over with a single, well directed effort.

In a country the size of Canada your advertising effort needs power, direction and timing. Those are the advantages Weekend Magazine and its French language edition Perspectives can give you.

Weekend Magazine/Perspectives is *high power* in Canada. Its powerful selling impact reaches 4 out of 10 of all the homes from coast to coast... a coverage more than four times greater than that of Life Magazine in the United States.

Weekend Magazine/Perspectives carries the

selling message *direct* to the people with money to spend and a willingness to spend it. It shares the prestige and acceptance of the 35 newspapers that carry it to its readers *every week*.

No other magazine in Canada approaches the massive 1,880,000 circulation of Weekend Magazine/Perspectives or equals the intimacy and conviction of its audience.

Represented in the United States by O'Mara & Ormsbee Inc.—New York, Chicago, Detroit, San Francisco, Los Angeles.

**The biggest single
selling force in Canada**



The Reynolds Metals Company asked if we could design a compact, low cost Slide-Chart that would explain simply and accurately how to roast meat or poultry in Reynolds Wrap. Ordinary cookbooks require complex calculations.

Within days we came up with a 2" x 5 1/2" Slide-Chart that gives the answer with one move of the slide! Over six million have been ordered and are being distributed to dealers. And we produced the six million in seven weeks for \$60,000.00 less than the client anticipated! Why not drop us a line and find out how Perrygraf can put your product's facts at the fingertips?



Perrygraf Slide-Charts are precision made in facilities geared to turning out hundreds—or millions. In any size order, delivery and prices will amaze you.

Here's how you can get this modern inexpensive sales tool for your company. Give us a word picture of the job your Slide-Chart is to perform. Give us necessary data sheets or catalog pages if that's convenient. Tell us who will use the Slide-Chart and what quantities you will need. No obligation, of course. We'll tell you how your Slide-Chart can be made, what it will cost and we'll show you comparable jobs we've done.

FREE—36 page, full color booklet showing how Perrygraf Slide-Charts can work for you. 122 case histories. Write for free copy. ▶

PERRYGRAF CORPORATION

1500-H Madison Street, Maywood, Illinois
150-H South Barrington Avenue, Los Angeles 49, Calif.
Sales Offices in Principal Cities



planned merchandising machinery into action.

A medium-size manufacturer recently brought out a new product which was thought to be superior to that of its many competitors, who were all fighting for a share of the same super market shelf space. The salesmen were carefully drilled in the quality approach, given an elaborate "pitch" book, and sent into the field. Results were bitterly disappointing except those from one salesman.

When called into the home office to explain his success, he reported: "After several trials of the presentation and instruction you gave me I threw away the pitch book and developed a new approach. It was so simple I was almost afraid to use it. I went into a smart buyer for a small chain of five large super markets. I asked him, 'Are you completely happy with your present source of supply for our line?'"

"He didn't answer me, which was exactly the reaction I had anticipated. But he did say, 'What's on your mind?' Then I said, 'We've developed a new product in this line, and my only thought in calling on you is to determine whether or not it will fit into your plans. We have a sound product, and a delivery plan which can land the merchandise at each storeroom exactly when you want it.'"

The salesman went on to explain that he was told to return the following week, when an order was placed. He kept on trying this soft sell. The salesman had learned something that management did not know: Competitive suppliers, some of which had brands with good consumer franchises built up, were short on service, irregular in delivery, and contentious in customer relations. The salesman had found the sensitive spot which aroused a high percentage of responses, usually beginning with, "Well, what do you have in mind?"

As typical buying units increase in size, as buyers rely more and more on carefully laid plans and programs, it becomes increasingly necessary to train salesmen to use a tailor-made, or custom-built sales presentation, individualized for each company's size, location, needs, finances, and ability.

This does not mean a hit-or-miss price schedule, nor does it mean special concessions (which may lead to the FTC's charging unfair treatment). But it does mean that we must stop infecting salesmen with severe cases of heebie-jeebies by insisting upon tight adherence to the pitch book, or to rules and training procedures built on a faulty notion of what makes people buy. ♦

Alice in Numberland

CHAPTER II

Humpty Dumpty

"When I use a word," Humpty Dumpty said . . . "it means just what I choose it to mean—neither more nor less."

"The question is," said Alice, "whether you can make words mean so many different things."



Likewise, it might also be asked whether a product made of words—a magazine—can really communicate when it has to be all things to all kinds of readers. Further, can a magazine be equally exciting to a man in a steel mill, a man in a tool and die shop, and a man in a high volume production plant? We think not.

PRODUCTION's circulation is concentrated 99.1% in metalworking plants utilizing repetitive manufacturing techniques. Editorial, therefore, is written to fill the needs of this *one* select audience . . . an audience that purchases over 85% of all metalworking equipment, materials and supplies.

Writing for *one* audience, PRODUCTION editors utilize reader-oriented techniques that provide readers with *useful* and *timely* information. One source is PRODUCTION's Forum of Manufac-

turing Interests. Here, continual surveys reveal the types of articles that will best help readers in their work. Another example, the PRODUCTION Round Table, has for over 16 years alerted readers to new trends and ideas for improving manufacturing efficiency. Adherence to PRODUCTION's editorial purpose—*"... to recognize and to fulfill, the special needs of engineers and managers who are concerned with improved manufacturing efficiency, costs and quality in mass production metalworking plants"*—will attract over 31,000 influential and attentive customers and prospects to your advertisement each month.

With PRODUCTION, there is no wonderland of superlatives, no frantic circulation numberland (and, incidentally, no 1961 rate increases)—just good, progressive publishing directed to America's largest industrial market.

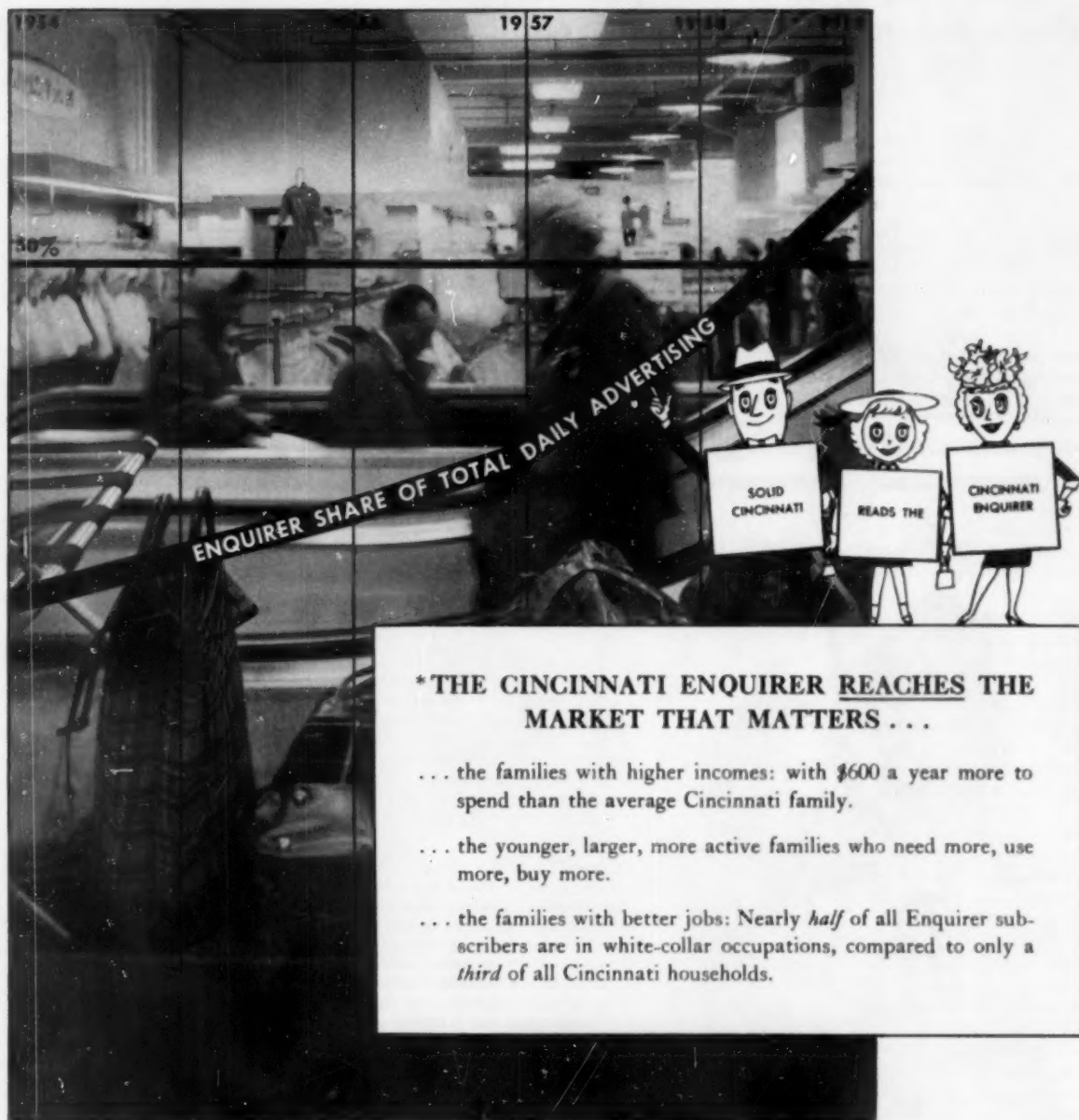
PRODUCTION

the magazine of manufacturing

Bramson Publishing Company, Box 1, Birmingham, Michigan

Sales Management September 16, 1960 111

For solid success in Solid Cincinnati...
*aim at the market-that-matters!**



***THE CINCINNATI ENQUIRER REACHES THE MARKET THAT MATTERS . . .**

- . . . the families with higher incomes: with \$600 a year more to spend than the average Cincinnati family.
- . . . the younger, larger, more active families who need more, use more, buy more.
- . . . the families with better jobs: Nearly *half* of all Enquirer subscribers are in white-collar occupations, compared to only a *third* of all Cincinnati households.

More and more advertisers are discovering that reaching this solid market-that-matters makes a big difference in advertising effectiveness. And they're finding that nothing reaches and *influences* this

market like the Cincinnati Enquirer. Get the full story of Solid Cincinnati from the latest Top Ten Brands survey. Call or write The Enquirer's Research Department for your copy.

Represented by Moloney, Regan & Schmitt, Inc.

Armed with a Brand New Product, St. Regis 'Goes Consumer'

The sleepy school supplies industry may get jolted awake by St. Regis Paper's \$500,000-promotion of its first consumer product—which could obsolete the old loose-leaf binder.

Target: the \$700-million school supplies market.

St. Regis Paper Co., the nation's third largest maker of paper and paper products, is aiming squarely at this big market with its first consumer product.

The product: a new type of notebook that promises to obsolete the old loose-leaf binder. It's a vertical-opening notebook that has a hard plastic cover, is easy to handle, and retails for a suggested \$1.29.

A new St. Regis division, the Nifty Manufacturing Co., expects to sell eight to ten million of the new notebooks this fall. Guy Lowe, vice president of Nifty, reports that the new notebook is being promoted vigorously to the growing school population of more than 46 million students.

An average \$15 a year, according to some estimates, is spent by each student on such supplies as paper, binders, fillers, pens and other equipment for normal school activity. This creates a market of close to \$700 million for the 1960-61 school term.

The new notebook, which is fully protected by U.S. patents, is now on the shelves of virtually every major variety, food and drug chain, and many leading department stores. It is generally being sold at the suggested \$1.29, although some food chains are pricing it at 98 cents. Its 65c price to the retailer often makes it so attractive that Nifty salesmen are able to secure extra display space.

St. Regis stands to sell more than notebooks. Even better, it expects to profit from sales of the paper that goes into the notebooks. Both notebooks and notepaper, handled through the Nifty division, mark St. Regis' entry into the consumer products market. Until its purchase of Nifty early



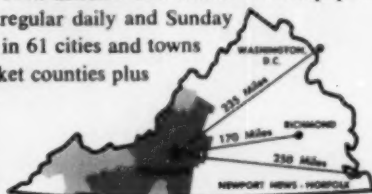
Now—in Roanoke, Virginia +

FULL COLOR

is available in this newspaper market that's **LARGER** than 22 of the Nation's top 100 markets.

It is **OVER TWICE** as large as its Metro Area ranking indicates—**OVER 2½** times as large a retail sales market—**3 TIMES** as large a food market. The Roanoke Newspapers reach virtually all regular daily and Sunday newspaper readers in 61 cities and towns in 16 primary market counties plus 9 others.

**AND NOW
FULL COLOR
IS AVAILABLE**



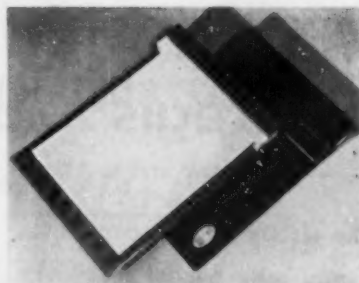
No. 1 in the NATION in SUNDAY METRO SATURATION



Home of the *New Norfolk and Western Railway*

THE ROANOKE TIMES
The Roanoke World-News

National Representatives SAWYER • FERGUSON • WALKER CO.



INNOVATION in a \$700-million-a-year market, is this Nifty notebook—St. Regis Paper's first consumer product.

this year, St. Regis' sales were entirely in industrial and commercial markets.

To promote its new consumer products, St. Regis has just invested half a million dollars in a 3-week back-to-school drive. The campaign, probably the largest ever in the school supplies field, was built around a program of saturation spot-TV advertising in more than 140 markets in the U.S., including Hawaii. The campaign is rounded out with ads in magazines, newspapers, and business publications.

► St. Regis' brand new product will probably grab a large share of the school supplies market. This will prove particularly true if the results of Nifty's previous campaigns in test markets can be repeated on a national scale.

Three years ago the Nifty "space saver binder" was test-marketed in six southern cities, starting with teacher sampling, school acceptance, TV spot commercials, and P-O-P material. The initial budget was close to \$7,000, and 28% of the students bought the Nifty notebook.

In 1958 the test areas were increased to 28 markets. Better TV spot commercials were used; more samples were distributed to teachers and principals. The budget: \$28,000. Share of market: 30% of the students in those 28 markets.

In 1959 the notebook binder was promoted in 78 cities, with overlapping TV coverage, better displays and new binder colors. On a \$170,000-budget, Nifty copped a 35% share of the market in 78 markets.

Now, with a \$500,000-program in 143 major markets, coast to coast, St. Regis' Nifty division is shooting to sell ten million of its new notebooks. This is probably just the beginning—both for St. Regis in consumer products, and for consumers who buy St. Regis' new-style notebooks and paper. ♦



Coty INCREASES SALES WITH AEROSOLS: By packaging L'Aimant fragrance in aerosol form, Coty created a new "spray-mist" product that is outselling the original bottled L'Aimant toilet water 2 to 1!

If your product can be brushed...sprayed...squeezed or poured—it may be more marketable as an aerosol

Does your product meet the requirements above? If it does, there is a good chance aerosol packaging can create the sales magic it has for Coty and many other personal- and home-product manufacturers.

Convenience is the secret behind the success of aerosols. It's the neatest, handiest, quickest way to apply a product—and the buying public is

well aware of these advantages. In the cologne field alone, aerosols have 51% of the market and are increasing their share by 20% annually!

Get the complete story. It's easy to have your product tested by a custom filler—no need for your own loading line. Let Du Pont send you technical data and a list of aerosol loaders. It's a service offered without obligation by

Du Pont, manufacturer of time-proved "Freon" propellents for aerosols.

Free booklet "Package for Profit" contains information on how you can enter this field without major capital investment...includes marketing and technical data. Write: E. I. du Pont de Nemours & Co. (Inc.), "Freon" Products Division, N-2420, Dept. 579 Wilmington 98, Delaware.

Best-selling aerosols are powered with

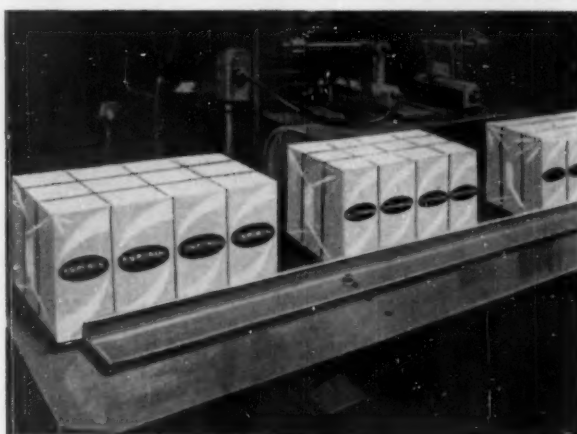
FREON®
PROPELLENTS



BETTER THINGS FOR BETTER LIVING . . . THROUGH CHEMISTRY



Bundle your **AVISCO**[®]



to save money

Manufacturers of products as varied as drugs, cigars, cosmetics, candy, razor blades and camera film are saving money by bundling with Avisco cellophane. It eliminates the need for printed or labeled boxes and paper overwraps; operates more efficiently on wrapping machines; seals quickly and securely with heat, thus ending the gluing operation. Cellophane offers new packaging flexibility over boxes because bundle sizes can be changed simply by adjusting the machines. It also reduces shipping carton sizes, shipping weights, and warehouse space needed to store packaging materials.



to help your distributors

Any distributor who ships products to retail outlets recognizes bundling as a source of operational savings. But his savings are even greater when Avisco cellophane is used for this purpose. Taking inventory and making up orders become easier with bundles in Avisco cellophane. Its pure transparency permits product visibility from the top, bottom and all 4 sides of the bundle. The results are instant identification, faster count and reduced shipping errors. And nothing compares with cellophane for sealing in freshness and protection against dust, dirt and moisture. This means longer shelf life.

AMERICAN VISCOSÉ CORPORATION, FILM DIVISION, 1617 PENNSYLVANIA BOULEVARD, PHILADELPHIA 3, PENNSYLVANIA

fraction-of-case units in **CELLOPHANE**



to help your retailers

Retailers benefit in many ways when they receive fraction-of-case units bundled in Avisco cellophane. Bundles of a product can be conveniently stored next to individual packages remaining on the shelf. Retailers can see at a glance how much stock they have and what needs to be ordered. They can use the bundles as shelf displays without unwrapping. Cellophane bundling also facilitates mass displays during special promotions. In some instances it has even helped retailers sell entire bundled quantities to consumers. It also eliminates disposal problems caused by bulky cartons and wraps.



to help yourself

Learn more about this new and better method of redistribution packaging. Send for our booklet, "Cellophane Bundling". Better still, phone or write us for an appointment with our representative in your area or a selected cellophane converter specializing in your field. Our complete packaging service is available to assist you and demonstrate how Avisco cellophane, plain or printed, will answer your requirements better and more economically than any other packaging material.

*Look to AVISCO® fibers and
packaging films for new ideas*

AVISCO

SALES OFFICES ALSO LOCATED IN ATLANTA, BOSTON, CHICAGO, DALLAS, LOS ANGELES AND NEW YORK

They'll Slice Radio

... Auto makers and refineries have found it a good medium for catching prospects at their most receptive. ... Soap companies see it as a tool for lathering up sales. ... A dog manufacturer discovered housewives are among his best customers.

Marketers are turning to radio to hit key audiences at times and places that other media generally can't reach them. A growing list of companies—big advertisers like Mennen, Cities Service, John Morrell & Company—are devising strategic ad campaigns aimed at a new type of radio listener. Make note of these recent trends in radio:

- There is a significant swing toward corporate spot-radio buys by multi-product advertisers who seek to carve out franchises in which to rotate different product commercials. One leading example is the Ward Baking Co., with its multiplicity of products, which buys between 100 and 200 radio commercials weekly in 70 top markets.

- More advertisers are buying heavy-frequency, around-the-clock, to capitalize on audience turnover. Radio Advertising Bureau reports a major move under way to the 9 a.m.-to-3 p.m. period by packaged goods advertisers interested in reaching the housewife audience. With increased interest in frequency of impression, many of the top agencies today are recommending the 'round-the-clock approach to a number of advertisers who had previously concentrated on the heavy traffic hours.

- The automobile companies are buying radio on a longer-term basis than the usual fall saturation flurries that accompany the new car introductions. And, marketers of both cars and packaged goods are appropriating larger budgets for heavier frequency than they did last fall.

- Food products particularly are more and more interested in dominance of the medium, especially on peak shopping days from midweek through Saturday.

Radio, despite TV's competition, is growing. In the past decade, the

number of U.S. radio homes has increased 23%, from 40.2 million in 1949 to 49.5 million in 1960.

Up-to-date 1960 figures show a total of 156,394,000 radio sets distributed this way: home sets—106,007,000; auto radios—40,387,000; sets in public places—10,000,000. This represents a 98% increase in total U.S. radio sets since 1949.

- ▶ The size and scope of a medium is meaningless to a specific brand advertiser, unless he can be sure that this medium reaches the particular consumer group he seeks to sell. The Mennen Co., for instance, used spot radio to pinpoint a special mass audience.

From mid-July through November 1959, Mennen used radio as the sole advertising medium for five men's products: Mennen Skin Bracer, Spray Deodorant, Speed Stick Deodorant, Foam Shave and Quinsana. Its radio budget for 1959 was in excess of \$600,000.

The company used minute and 10-second announcements in a 75-market campaign intended to get as many male impressions as possible. According to William G. Mennen, Jr., v-p marketing: "We were impressed by the fact that male radio listening increased from 50% to 100% during two periods of the day, from 6:00 to 9:00 in the morning, and from 4:00 to 6:00 in the afternoon. By concentrating in these periods, we were able to reach 35% to 40% of the homes in each market during these peak male listening times."

Mennen's creative strategy: Use local disc jockey personalities, whose "fun and enthusiasm rubs off on a product in a gratifying way."

Mennen's campaign had an important impact on its sales force. Says Bill Mennen: "We began to get letters, even telegrams, completely unsolicited, from the sales force when

our commercials went on the air. That hadn't happened for a long time. The salesmen were suddenly conscious of Mennen advertising where they'd shown little awareness of it before. It wasn't hard to figure out why—these men do a lot of traveling in cars, the cars have radios. And having a sales force that was individually aware of Mennen advertising support, instead of merely being told about it, was a real morale booster."

Results of the campaign: One of the largest wholesale drug houses in St. Louis reported a 50% increase in Mennen deodorant sales, with a 15% increase in Foam Shave and a 25% increase in Quinsana. Similar reports came from other markets.

- ▶ The out-of-home radio audience has become not only an important plus to a variety of product advertisers, but in the case of Cities Service, the in-car audience became this gas company's prime target. Today, when there are more than 190,000 service stations in the U.S., the motorist has an overwhelming choice of where to stop to buy his gasoline.

"There is a consideration that can greatly affect the motorist's choice," says Raymond C. Keck, national manager of Cities Service Petroleum, Inc., "namely, his attitude or feeling for the company or brand name."

Cities Service used saturation frequency for maximum impact, and timed the campaign to reach the consumer at the most strategic selling periods. Its budget: \$1 million on radio.

In 1959 and 1960, the firm bunched its effort into four principal flights: spring, early summer, later summer and fall, with schedules placed during the heaviest driving periods.

According to Keck: "This radio campaign proved extremely effective—Cities Service dealers reported new customers, increased sales, and, very

Differently this Fall

importantly, a new awareness of Cities Service in their communities. The atmosphere was friendly—all we could ask of a good company image—and resulted in a radio budget increase for 1960."

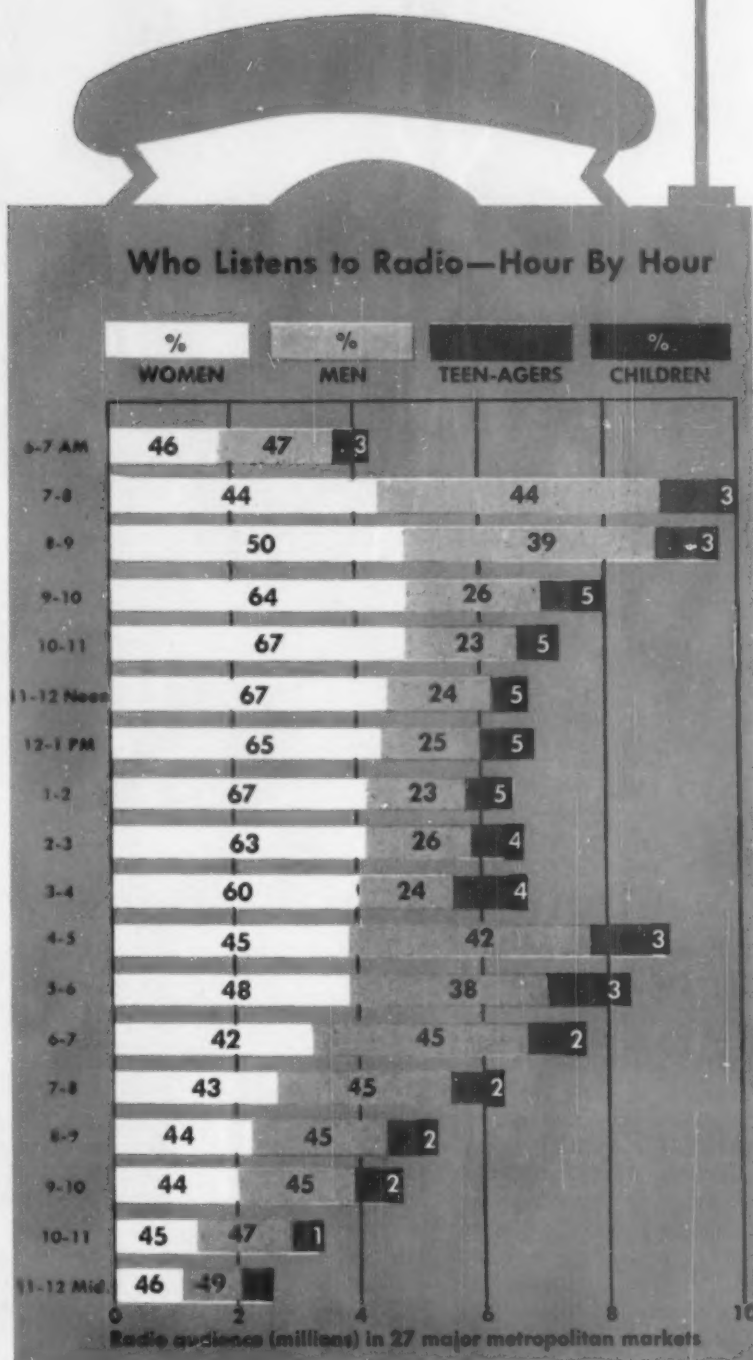
Auto radio sets have more than tripled since 1949, rising from 12.1 million to 40.4 million in 1960. Portable set sales have quadrupled since 1949, from 1,799,000 to 7,687,000 in 1959. Out-of-home listening has been rising sharply over the past eight years: 78.5% of all retail establishments are equipped with one or more radio sets.

► Can radio compete with trade promotions? This question frequently occurs to the sales executive who bucks wholesaler and retailer resistance. Our answer to it comes from a company which has relied entirely on "heavy promotional waves" prior to its introduction to radio in 1959.

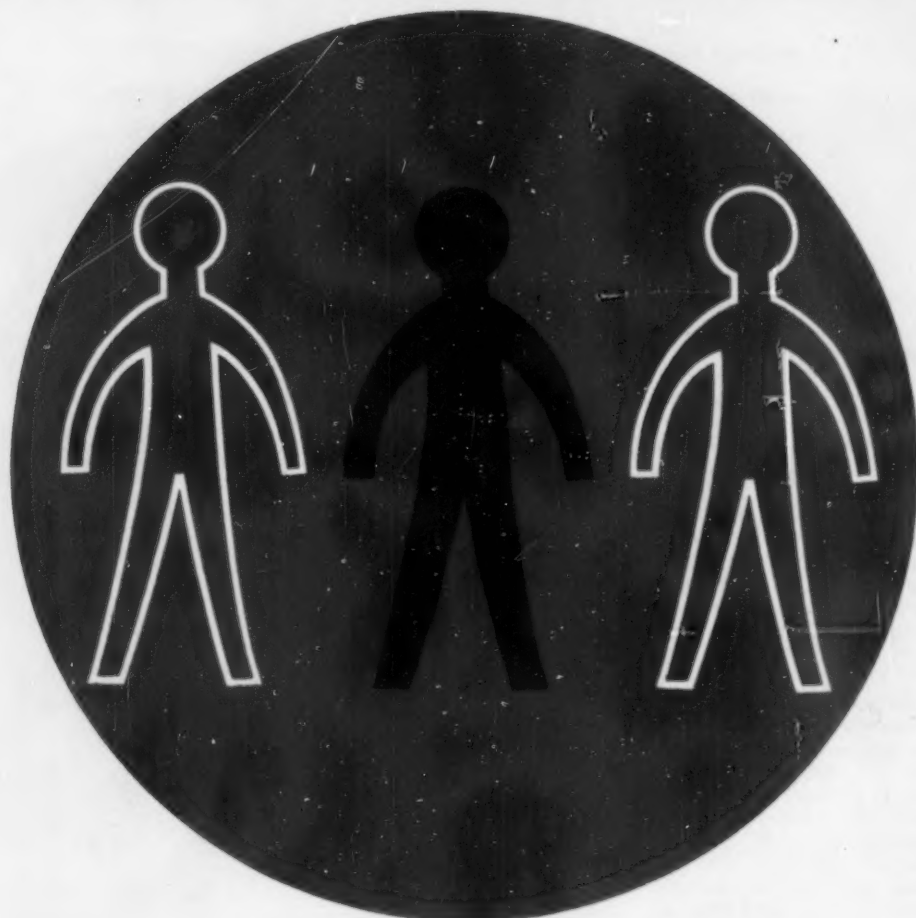
Red Heart dog food was bucking the competition of up to 15 different brands stocked by the average grocery store. Historically, it had fought this competition entirely through trade promotions.

In 1959, John Morrell & Co., makers of Red Heart, studied its problems. A comprehensive research project confirmed that housewives are the most important dog food buyers. The company's solution was a new advertising and marketing program, using radio to target in on local sales areas and pinpoint the consumer audience. The company apportioned \$560,000 for this effort, scheduled a continuous week-in and week-out effort in daytime radio to reach women close to the time for their actual shopping trips.

Results of this switch from trade promotions to a radio ad budget: Returns from the 80 radio markets show gains twice that of the non-radio markets. ♦



This one man . . .



How both can make your 1961 advertising more resultful

This one man . . . the purchasing agent . . . makes more decisions on what is bought from whom than any other individual in industry.

His importance in the company is unquestioned. He alone decides what share of the pie you and your competitors get.

Today his need for "how to" information and product news is more critical than ever before, because of the current net profit squeeze. Management depends on his ability to find new ways to

cut costs without impairing production flow or product quality.

This one magazine . . . PURCHASING . . . is the P.A.'s most trusted and respected source of *helpful* information. Every other week it feeds him a *complete* editorial diet of product, economic and professional news; authoritative articles on purchasing techniques, legal problems, supplier relations, value analysis, personal news,

This one magazine...





BONUS FOR 1961 ADVERTISERS: Over 3000 extra circulation in the important metalworking industries at no added cost!

and cost reduction. And the P.A. needs *all* this information to do his job right.

By all standards, **PURCHASING** Magazine is the leading publication in its field... just as it has been for 45 years. Unquestionably this is the one magazine that will *balance* your 1961 advertising schedule. Cover all the men who specify, suggest, recommend or request... and be sure to tell the man who *buys*... with a regular schedule in **PURCHASING** Magazine.

PURCHASING

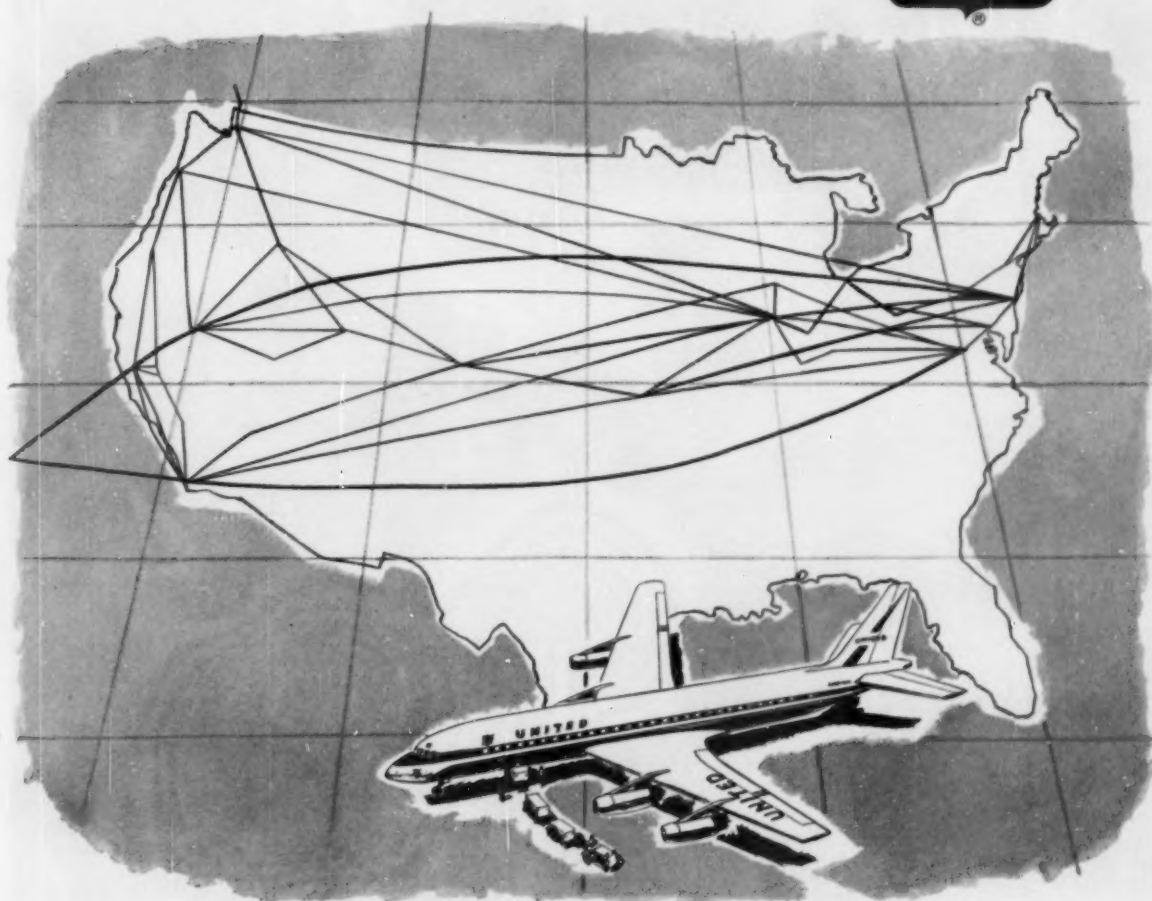
MAGAZINE

Sells the man who buys  
205 East 42nd St., New York 17, N.Y.
A *Corporation* - Most publication

COAST-TO-COAST, BORDER-TO-BORDER VIA DEPENDABLE UNITED AIR FREIGHT

A single phone call to United Air Lines gives you fast, dependable Air Freight throughout the U.S.A. or most anywhere in the world—on a single air bill, with one-carrier responsibility. United's unique Reserved Air Freight enables you to reserve freight space as you would a passenger seat . . . on the flight most convenient for you. And this service is avail-

able on a fleet of fast Cargoliners and all United Mainliners, including 600-mph jets. You have a wide selection of schedules and a choice of door-to-door or airport-to-airport service. Call your local United Air Lines Sales Office or write to United Air Lines, Cargo Sales Division, 36 S. Wabash Avenue, Chicago 3, Illinois.



BUILDING IMAGES

costly business
for new products

ALL MARKETING-MINDED EXECUTIVES recognize the need for continually meeting aggressive competition with new products. The strain of rising costs of establishing these products in the market place is the cause of new emphasis on further broadening and intensifying product-line identity and corporate image or "umbrella."

Several major corporate aggregates, with thousands of products in consumer and industrial fields, are spending large sums of money to redesign, simplify and codify, from corporate logo to shipping container label. They know it's cheaper in the long run, and results in improved advertising and sales promotion, as well as easier product introduction.

... at least two giant national corporations will announce their adoption of new logos and simplified company name this fall. One, with several divisions in packaging materials, advocates strong marketing direction to its customers for all packaging, from bulk container to shipping container to shelf-display and end-use package.

new face, same
high standards



... The 105-year-old Richardson & Robbins Co. line of specialty canned foods will soon present a new look in its famous boned chicken, chicken broth and plum pudding as it scratches out new national markets. The inventor of the tapered tin can will retain a simplified "R&R," but will otherwise present a cleaned up and wholly modern look on its new labels when it hits the self-selection shelves of the nation's supers.

Acquired last October by the Wm. Underwood Co., America's oldest canner, the R&R line was immediately scheduled for new expansion and redesign. While the new labels have been completely renovated, they still manage to convey the old R&R identity, strong product-line identity, and the old familiar feeling of high quality known to generations of East Coast shoppers. The R&R line stands as an example of successful transition from yesterday's unplanned approach to marketing products to today's marketing-oriented packaging and design.

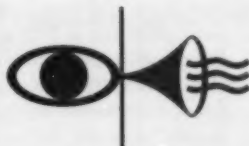
a labeling system
for 3,000 products

... Allied Chemical's National Aniline Division has announced a new labeling system for all its more than 3,000 products. Formerly, the division supplied dyes, colors and stains to various industries, but now the diversified division produces detergents, resin chemicals, antioxidants, to name a few. This wide diversification of products has made a unified labeling system a must, says National Aniline.

Distinctive color bands have been assigned to each group of the division's major product lines. Each label carries five horizontal bands. The Allied Chemical logo appears in red inside a white frame at the top of each label. Other brands carry division trade-mark, division and corporate names, and description and name of product.

8 MM WITH SOUND

high standards
in top \$ market



A PRODUCT AS REVOLUTIONARY as an 8 mm home movie camera that can record sound as well as pictures still required a lot of hard marketing know-how to make a no-mistake entry into solid sales. This was especially so for Fairchild Camera Instrument Corp., manufacturers of the Cinephonic Eight, a company well known in industrial optics but virtually unknown in consumer cameras.

A strong graphic symbol was designed, by Erhman & Reiner, that would reflect the camera's unique ability and the company's reputation for high technical standards. The symbol—a simplified human eye and microphone—appears on all packaging and retail displays. The designers also provided an eye-catching, self-shading screen of stiff cardboard that permits counter-top demonstrations in stores.

(continued)

FIRST ISSUE
SEPTEMBER 26, 1960



in Westchester
the ^{new} view is important

WESTCHESTER'S MORNING NEWSPAPER
DAILY TRADER
55 Church St., White Plains, N. Y.

REPRESENTED NATIONALLY BY
RALPH R. MULLIGAN
NEW YORK-CHICAGO-DETROIT-LOS ANGELES

If your products are sold through
retail food stores—

**WATCH
YOUR MAIL
FOR THIS
BOOK!**



This 24-page book describes ACB services that help you in the control and better use of retail food store promotions. Discusses all 3 types of co-op advertising plans and non-plan as well.

This book mailed Sept. 15 to all names on our lists. If we have missed you (or you think we might) send post-card and we will mail a copy immediately.

Advertising Checking Bureau,
18 S. Michigan Ave., Chicago 3.

-SM- TRENDS IN PACKAGING AND PRODUCT DESIGN (continued)

Distribution began in May 1960 on a limited basis, through key outlets for the first few months. In New York, Macy's still has an exclusive, but wider distribution is expected as production increases. Selling price of the camera and the sound projector is about \$500.

ALUMINUM

... no grass in its markets

ONE OF THE FASTEST GROWING MATERIALS in packaging provides a vivid example of how close cooperation between a material supplier and a product marketer can produce new uses and broader markets as well as product distinction for the marketer.

... The aluminum foil beer carton moves west. The carton that Reynolds Metals originally designed for Piel Brothers, of Brooklyn, N. Y., is now entering western markets with the announcement that Sicks' Ranier Brewing Co., of Seattle, will use the foil carton that keeps beer cold for hours after leaving the refrigerator.

Reynolds predicts that nearly all the 1961 lemonade concentrate packed will be in aluminum cans. And, more than half of California's huge tuna, salmon and shellfish output will be canned in aluminum. Significant freight savings are possible with aluminum, says Reynolds, and tinplate holds no price advantages over aluminum for such West Coast products as lemonade concentrate, tuna, salmon and shellfish.

... Tear-off can tops for aluminum cans, recently developed by Alcoa and United Shoe Machinery Corp., promises to eliminate the can opener as well as give the old tin can another competitive kick. The new top is now being market tested by Minute Maid for frozen orange juice cans. U.S. Steel is hitting back with its new lightweight, low-cost Ferro-lite. The new "tin," which is only half as thick as current tin can material, will actually hit commercial markets first.

COUNTER TREND

pin-point marketing vs. "umbrella"

EVERY TREND HAS ITS COUNTER TREND . . . while the broad corporate and product-line approach is a sensible and widespread marketing practice in packaging products, there is also an equally sensible pin-pointed marketing approach. Sometimes the relative importance of each has to be balanced carefully.

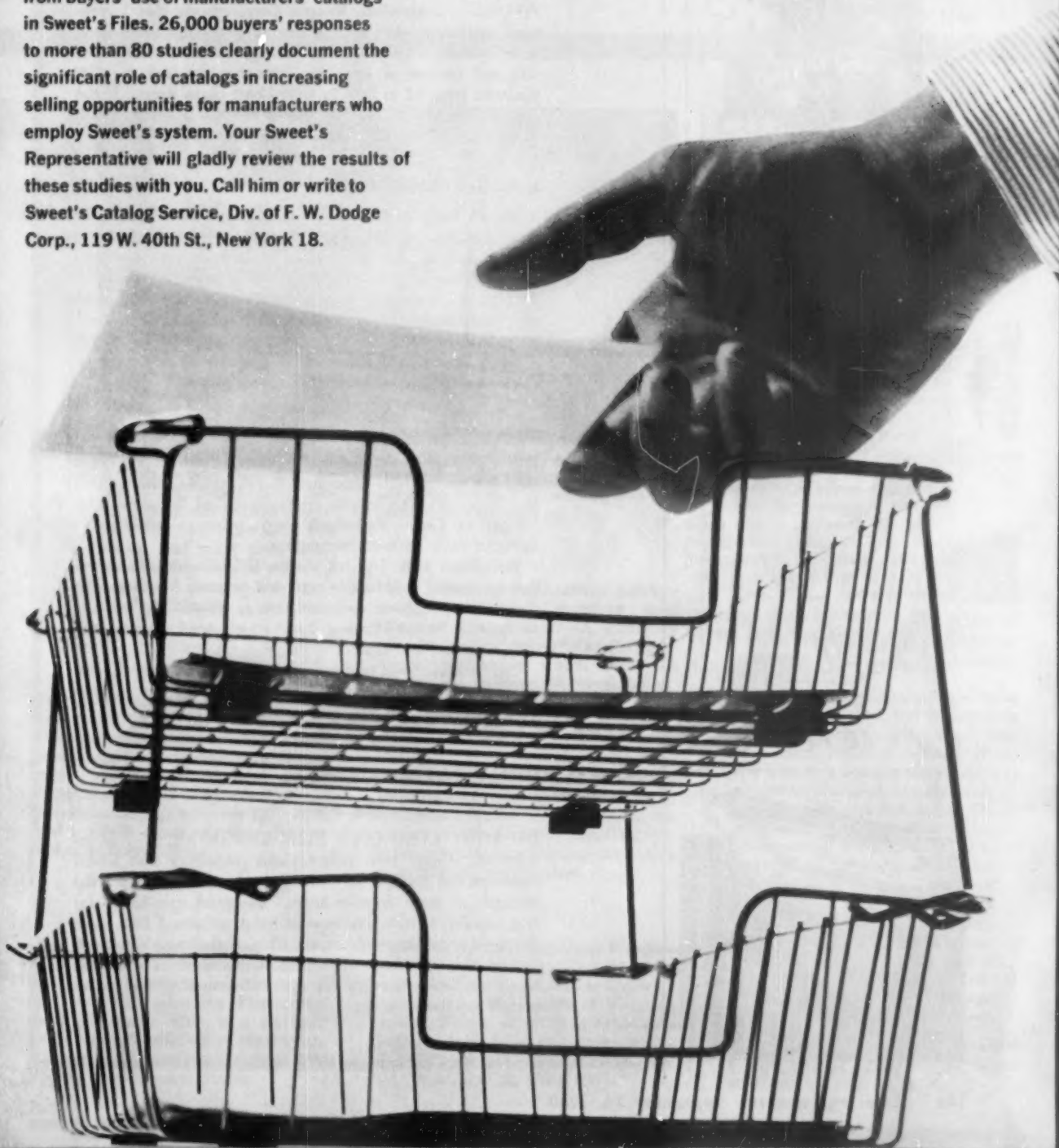
Millions will recall Necco Wafers from childhood, but relatively few know that Necco now produces a full and complete line of quality candy. Faced with these market facts, as the company began full-line distribution through super markets, Necco and its designers (Lippincott & Margulies) decided to pin-point the market segment for each candy line through market research, and then design packages with the exact market segment in mind. The relative importance of the product name and the corporate name

REQUISITIONED

Requisitioned...recommended...

approved...specified...called local office.

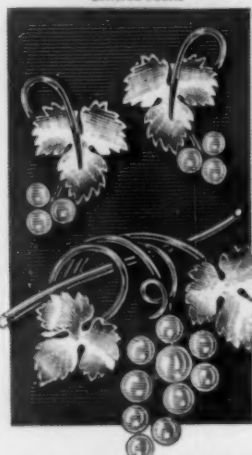
These are buying actions which typically result from buyers' use of manufacturers' catalogs in Sweet's Files. 26,000 buyers' responses to more than 80 studies clearly document the significant role of catalogs in increasing selling opportunities for manufacturers who employ Sweet's system. Your Sweet's Representative will gladly review the results of these studies with you. Call him or write to Sweet's Catalog Service, Div. of F. W. Dodge Corp., 119 W. 40th St., New York 18.



Earrings \$17.50

Brooch \$27

Cultured Pearls



A GIFT THAT WILL BE LONG REMEMBERED

If you wish to send gifts that your most valued business friends will always treasure, consider fine jewelry by Krementz.

Krementz Jewelry is made with a heavy overlay of 14Kt. gold that is 30 to 40 times thicker than that used on ordinary electroplated jewelry, so that it has all of the warm beauty and much of the wearing quality of solid gold.

People know and appreciate these distinctive Krementz qualities through 50 years of national advertising.

The new Krementz catalog shows hundreds of exquisite new designs for both ladies and men... why not write for it? The prices listed are the advertised retail.

For substantial large quantity discounts contact your local jeweler or write directly to

KREMENTZ & CO., NEWARK 1, N. J.

Krementz

14 KT. GOLD OVERLAY



Cuff Links \$10 Tie Grip \$6.50

-SM- TRENDS IN PACKAGING AND PRODUCT DESIGN

(continued)

would then be designed into the package that would do the best selling job and the best job of building the corporate image in each market segment.

NEW PACKAGES

new use for cellophane

OVERWRAPPING OF EGG CARTONS IN CELLOPHANE... American Viscose Corp. reports that laboratory tests show that such overwrapping keeps eggs fresh seven times longer. Merchandising of the cellophane-wrapped cartons of eggs in Texas has resulted in sales increases from 12 to 50% in Gulf Coast chain stores. If the tests are successful, the new use of cellophane would result in sales of millions of pounds of it in the next two years.

double-wall plastic jars

A Rexall Drug & Chemical Co. division, Imco Container Corp., has developed a double-walled jar for packaging cream products. The jar is made of linear polyethylene and polypropylene in two walls which seal a protective shield of air between inner and outer wall. The new jar offers extra eye appeal and reduced breakage for manufacturers. It can be molded to match the dimensions of flint or opal jars, yet is much lighter than either. It is available in any color or shade, and decorated by the hot stamp process.

sterile milk without cooling

Lower packaging and distribution costs as well as prolonged shelf life are interests uppermost in the minds of the nation's food suppliers. An aseptic container called Tetra-Pak, developed by Crown Zellerbach Corp., promises sterile packaging of milk without refrigeration.

Real-Fresh Milk, Inc., of Visalia, Cal., is using the Tetra-Pak for storing milk under extended periods, free from the danger of spoilage or contamination as long as the package remains undamaged during distribution. After opening, the milk must be refrigerated.

Crown Zellerbach produces the special 3-ply (paper, aluminum foil, and polyethylene coating) package that is leak-proof, odorless, and gas-tight under normal conditions.

NEW MATERIALS IN PACKAGING

new polyethylene—strong, clear

DU PONT COMPANY'S FILM DEPARTMENT has introduced a new type polyethylene packaging film which combines the transparency of "high clarity" types with the strength of more durable types. Designed specifically for bag making, in tests, the new material withstood 25% more drops than existing high-impact films of the same thickness, and 150% more drops than high-clarity films. The film is being marketed currently for use on bag-making and make-and-fill equipment only.

McGraw-Hill

MARKET SERVICE *News Letter*

September, 1960

Here are the latest booklets, folders, research studies and films available through your McGraw-Hill representative. They represent only a small part of the helpful market data that is regularly available to advertisers and their agencies—the result of our annual investment of over \$800,000 in research and market studies.

How To Mechanize Your Selling— How big is the industrial salesman's job? Who does he see? How does he spend his time? Here are many documented answers to why costs of sales calls are rising, and what your business publication advertising can do to increase the salesman's efficiency.



Keys To Prosperity presents, in chart form, data based on the Economic Department's annual surveys of Business' Plans for New Plants and Equipment. This booklet contains capital expenditures 1947-1963, research and development expenditures 1953-1963, and a whole series of other data relating to investment.

How To Cut Your Reading Time— Published in collaboration with the Reading Laboratory, Inc. as part of McGraw-Hill's Reading Encouragement Program. This is a self-help guide through which you may materially increase your reading speed and double your comprehension.

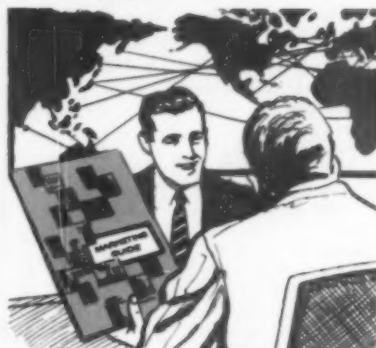
Leading Sales Executives Report— In their own words, 20 top sales executives describe the results they have achieved through consistent business publication advertising.

How Business Publication Advertising Increases Company And Product Recognition— A summary of Laboratory of Advertising Performance case histories which shows the correlation existing between advertising recognition and sales.

How To Handle Your Advertising Inquiries— Evaluates the sales role of inquiries in industrial advertising; describes effective inquiry handling systems; gives hints on inquiry-producing copy and art approaches.

America's Manufacturing Plants—A New Workbook— This 118-page statistical report, based on McGraw-Hill's continuing Census of Manufacturing Plants, is an invaluable sales tool and guide for marketing executives. Available through your McGraw-Hill representative at \$25 a copy.

COMING . . . 36-page McGraw-Hill Guide to Marketing Information



Coming soon . . . a 36-page listing of the latest market studies available to businessmen from each of McGraw-Hill's publications.

Conceived as a helpful guide to sales and advertising planning, it describes the marketing information each magazine offers. Areas covered by these market reports include the following:

Aviation, Business Management, Chemical Process Industries, Educational, Electrical, Electronics, Engineering & Construction, Exports & Imports, Industrial, Industrial Distribution, Industrial & Business Purchasing, Metalworking Production, Mining, Motor Trucks & Accessories, Nucleonics, Office Equipment & Stationery, Petroleum & Oil, Power, Power Plants, Product Design Engineering, Textiles and others.

Ask your McGraw-Hill representative for this 36-page guide to our latest marketing information.

CONTINUED

The Mathematics of Selling—Compiled from various industry sources, this study shows why the cost of personal calls is rising so rapidly, and how business publication advertising can help the salesman. Available as desk top presentation for use with your management, or in a printed folder.



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Atlanta 9, Ga.
1365 Peachtree Street, N. E.
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McGraw-Hill Building
CONgress 2-1160

Chicago 11, Ill.
McGraw-Hill Building
MOhawk 4-5800

Cleveland 13, Ohio
Illuminating Building
SUPERior 1-7000

Dallas 1, Texas
Vaughn Building
RIVERSide 7-5117

Denver 2, Colo.
Tower Building
ALPine 5-2981

Detroit 26, Michigan
Penobscot Building
WOODward 2-1793

Houston 25, Texas
Prudential Building
JACKSON 6-1281

Los Angeles 17, Calif.
1125 West 6th Street
HUNTley 2-5450

Minneapolis 2, Minn.
First National Bank Building
FEDeral 2-7425

New York 36, N. Y.
500 Fifth Avenue
OXford 5-5959

Philadelphia 3, Pa.
Six Penn Center Plaza
LOCust 8-4330

Pittsburgh 22, Pa.
4 Gateway Center
EXPRESS 1-1314

St. Louis 8, Mo.
Continental Building
JEFFerson 5-4867

San Francisco 4, Calif.
68 Post Street
DOUGLAS 2-4600

Tulsa 3, Okla.
Enterprise Building
LUTHER 7-5594

Frankfurt/Main, Germany
85, Westendstrasse

Geneva, Switzerland
2, Place du Port

London, E.C. 4, England
95 Farringdon Street

RESEARCH REPORTS

These Laboratory of Advertising Performance data sheets prepared by the McGraw-Hill Research Department have been released recently. Please order by number.

- LAP 0003.3—Check chart for L.A.P. data.
- LAP 1096—Results from illustrated check list and open end magazine readership surveys.
- LAP 1232—Men having different jobs read about the same number of ads.
- LAP 3011—One-page inserts and run-of-book page ads equally well read.
- LAP 3028—Higher noting of four-color over black-and-white tops added cost.
- LAP 3107—Readership of each page of a spread exceeds that of a single page ad.
- LAP 3201—How advertiser and product in headline affect readership.
- LAP 3205—How headline appearance affects readership.
- LAP 3220.1—Basic copy themes.
- LAP 3220.2—Objectives of industrial and business advertising programs.
- LAP 3221.1—Factors of greatest importance in selling products.
- LAP 3221.2—Helpfulness of various sales aids.
- LAP 3232.2—Readership of case history advertisements.
- LAP 8007—Average allocations in industrial advertising budgets.
- LAP 8008.3—Per cent of industrial sales invested in industrial advertising 1959.
- LAP 8020—Magazines and salesmen most frequently mentioned sources of new ideas and products.

FILMS AND FILM STRIPS

(For a preview, contact your McGraw-Hill representative.)

Cable Address: McGRAW-HILL New York—This brand-new color film strip takes you around the world in 12 minutes, shows the tremendous daily changes that can be significant to U. S. businessmen. See the vast network of McGraw-Hill business journalists in action, and how they track down important stories.



Information Plus—A color sound slide film to show how McGraw-Hill can help advertisers and agencies solve marketing and selling problems. It summarizes a few of the many aids such as sales and market data, research surveys, economic reports and

printed material available from McGraw-Hill sales representatives. Time: 9 minutes.

Smitty Steps Up—A bright, animated, 16mm color movie spotlights the problems of an industrial salesman. Designed for use at sales meetings. Conclusion gives facts that validate the need for adequate advertising to support salesmen. Time: 12 minutes.



Research—At Your Service—The story of research at McGraw-Hill is told in this color sound slide film. It shows the important part research plays in all the facets of business—paper publishing, and also how it can be used to check advertising effectiveness. Time: 11 1/2 minutes.

Ask your McGraw-Hill Representative for copies of this material...

Lighting Up The Blind Spot In Sales Forecasting

By using a new method of sales controls, Carolina Mills will now be able to predict short-range sales and profits more accurately than ever before. The system cuts paperwork and red tape for company marketing execs as well as salesmen.

Is there a blind spot in your sales forecasting?

Most marketing executives admit there is.

They find, of course, that their normal sales controls give a good picture of last week's or last month's sales and orders. Furthermore, their marketing researchers and economists can be counted on for reliable predictions of the long-range trend.

But the big blind spot is short-term sales. What's the outlook for sales next week, and the next couple of months? Reliable answers to these questions are vital to the sales exec—yet he seldom has the tools for getting them.

Most sales executives, by instinct, can often forecast short-term sales accurately. Generally they predict trends, but they can't measure them. It is one thing to sense the trend—but the chief marketing exec must know the extent of the trend before he can make important decisions. If he only had a system to shed a little more light on this blind spot in sales forecasting, he could probably make more accurate decisions affecting company sales and profits.

► This problem is being solved to a considerable extent at Carolina Mills, Inc., Maiden, N. C., and several other major producers of textile fibers, yarns and fabrics. These companies are now able to forecast short-range sales more accurately by using a new system of sales controls (developed by Werner Associates, New York management consultants).

This system of sales controls is de-

signed to give sales and marketing managers a definite warning of changes in the characteristics of product sales that would affect the company's next quarterly financial statement.

For several years price competition has been intense in the fabric, yarn and fiber industries. In this tough

marketing situation, these companies need a coordinated system of sales controls as a basis not only for forecasting a turn in sales but also for indicating the magnitude of the turn.

In many cases the sales exec senses a change in sales upon the horizon—but he isn't able to calculate the amount of selling effort necessary to avert it, or to take full advantage of it. By anticipating the magnitude of a turn in sales, he would be in a position to evaluate properly the size of the corrective action to be taken.

Carolina Mills' new system of sales controls "can effectively illuminate this blind spot in sales forecasting," says Leonard Moretz, the company's treasurer and general manager. The system, developed as part of sales control programs by a Werner Associates team headed by Daniel L. Brier, is less involved than would be expected. It has even reduced report making and cut red tape for marketing executives as well as salesmen.

► **The approach:** Prior to the introduction of the new system, the sales reports provided such information as total sales by industry, total sales by district, total sales by customer, and total orders on hand. Most sales reports presented information related to just one subject, such as customer, (continued on page 130)

FORECAST COMPARISON							
<input type="checkbox"/> Pounds		<input type="checkbox"/> Dollars		<input type="checkbox"/> Profit Points			
Date: August 31, 1960		Distribution		Sales Managers			
				General Sales Manager			
				Product Sales Managers			
				Marketing Managers			
Customer's Name: Products Forecast To be Purchased	Year Goal	Year to Date Goal	Year to Date Shipments	On Order Sept.	Goal Sept.	On Order Oct.	Goal Oct.
<u>Luv Company</u>							
Yarn A	260	150	120	30	30	10	40
Yarn B	360	260	300	40	25	25	20
Fabric A	600	450	350	60	50	20	70
Fabric B	200	160	120	15	20	15	20
Fabric X	120	80	70	20	30	30	40
<u>Higg Company</u>							
Yarn A	240	140	120	20	30	10	20
Yarn B	480	400	350	10	25	5	20
Yarn C	700	400	420	90	100	40	80
Yarn D	130	60	100	20	20	15	20
<u>May Company</u>							
Fabric A	400	280	200	20	40	5	25
Fabric C	340	200	100	30	30	20	40
Fabric D	500	300	200	10	40	10	50
<u>Ott Company</u>							
Fabric A	460	350	400	30	30	15	20
Fabric B	250	200	140	10	20	10	10
Fabric D	750	500	600	40	50	30	60
Fabric X	800	420	400	65	100	25	100

FORECAST COMPARISON lists each customer with the products he is expected to purchase. It compares year-to-date purchases with the forecast year-to-date goal.

How to Stratify Sales Control Reports

REPORT	FREQUENCY	DISTRIBUTION
Customer Lists for Salesmen	Annually	Salesmen District Sales Manager General Sales Manager
Customer Lists by District	Annually	District Sales Manager General Sales Manager Product Sales Managers Marketing Managers
Weekly Inventory Position (units)	Weekly	Sales Coordinator District Sales Managers General Sales Manager Product Sales Managers Marketing Managers
Salesmen's Call Summary	Weekly	Salesmen District Sales Manager General Sales Manager
Delinquent Orders (units)	Weekly	Salesmen District Sales Managers General Sales Managers Product Sales Managers Marketing Managers
Forecast Comparison (units, dollars, and profit points)	Monthly	District Sales Managers General Sales Manager Product Sales Managers Market Managers
Shipments by Denier Customer (units)	Monthly	District Sales Managers General Sales Manager Product Sales Managers Marketing Managers
Sales Order Size Analysis (number and percent)	Monthly	District Sales Managers General Sales Manager Product Sales Managers Marketing Managers
Sales Analysis by Salesmen (units and dollars)	Monthly	District Sales Managers General Sales Manager
Sales Analysis by District (units and dollars)	Monthly	District Sales Managers General Sales Manager Vice President for Marketing
Sales Analysis by Product (units and dollars)	Monthly	General Sales Manager Product Sales Managers Marketing Managers Vice President for Marketing
Profitability Analysis by Salesmen	Monthly	District Sales Managers General Sales Manager
Profitability Analysis by District and Product (profit points)	Monthly	District Sales Managers General Sales Manager Product Sales Managers Marketing Managers Vice President for Marketing

district, product line, or industry. On the other hand, marketing research provided long-range, industry-wide product volume and economic forecasts.

Thus, a company could find, for instance, that total sales volume could be down 3% for the first seven months of a given year, while marketing research had predicted that industry sales should rise 6% over the corresponding period of the previous year. The conclusion could be that sales were not keeping up with the industry and that the sales effort would have to be greatly reinforced to remedy the situation. While there might be indications that other factors were possibly at work—as seen from salesmen's call reports and market reports—they could not be directly correlated with the sales statistics to pinpoint the exact problem and its importance.

The new system cross-tabulates and integrates the information normally found in sales control reports and market research reports to (1) pinpoint the exact problem area, (2) measure its relative importance, and (3) lead the sales exec toward the decision that will help correct it.

► For example, a "forecast comparison report" lists each customer with the products that he is expected to purchase. This report compares year-to-date purchases with the forecast year-to-date goal and with the year goal. The forecast goal for the current period, the "on-order" for the current period, the following-period goal, and the following-period on-order are shown (in dollars, in pounds, and in profit points).

While this comparative forecast must be examined with other reports to reveal the total picture, it can point out several things by itself. For example, Carolina Mills may find that the on-order/goal position is up 200% for the next two months. This will completely alter the annual picture. Based on the current direction of the sales effort, no change is necessary to meet the company goal. Whereas previously the company would have been in a blind spot, guessing what remedial action to take, its management now knows that there was only a delay in the anticipated sales development, and that this will most probably straighten itself out within the coming 8-week period.

This does not mean that by the previous system it would not have been possible eventually to arrive at the same finding, but it would have required a great deal of complicated statistical analysis. Carolina's new system, however, is geared to reveal,

Of the top ten markets in the U.S., nine are cities but one is a state! Iowa, with a population of 2,747,300 ranks after New York, Chicago, Philadelphia, Detroit, Los Angeles and Boston. The unique circulation of the Des Moines Register and Tribune puts Iowa in the top ten — it reaches nearly 70% of the whole state!

almost immediately, the true picture, indicate trouble spots, and allow for improved short-range projections.

► **Fact gathering:** As each company has its own peculiarities and problems, any system of sales controls must be designed to fit the exacting marketing structure of a particular firm.

Carolina Mills, which sells over 1,000 different items, must gather facts regarding the method of packaging, the type of yarn or fabric manufactured, and the many other elements which complicate the product picture. Carolina's new sales control system utilizes standard names for the reports, but that's all that is standard. They are designed to operate quite differently than if the company were manufacturing some other product.

The system includes such reports as salesmen's call summary, delinquent order report, shipments by customer and product. Each report is designed, if at all possible, to fit on a single sheet so that a cursory look can spot an unusual situation.

These are only physical differences; the real difference lies in the information that is provided and the method in which it is presented. For instance, until the new system is introduced,

companies usually have such information available as sales by district, sales by salesmen, total number of orders by salesmen—either in market research reports, weekly marketing newsletters, or special memos. Other information, such as product goals by customer, by salesmen, by type of customer, are not always available.

Now all this information can be found in the "sales-analysis-by-salesmen" report and the "salesmen's-analysis-by-district" report—giving at one glance the critical sales correlations.

The "sales-analysis-by-salesmen" (in dollars and pounds) lists on one sheet the variance in sales effectiveness between goal and actual result, by product, for each salesman. This enables comparison of total sales and individual sales with goals, in pounds, dollars, and percentages. This, in turn, will indicate at one glance where and what remedial action is to be instituted.

► **Reduction of paperwork:** When the Carolina salesman jots down the necessary information from a customer in his order book, he provides the marketing staff with all the information needed to fill his order. A secretary completes the order with data at her disposal at the office and sends

CAROLINA MILLS			
SALES ANALYSIS BY SALESMEN			
		DOLLARS	
Date: August 31, 1960			
	SMITH	JAMES	
TOTAL SALES EFFORT			
Total Accounts	139	124	
Active Accounts	92	75	
Inactive Accounts	10	22	
Potential Accounts	37	27	
SALES EFFECTIVENESS			
Gross Sales	2145	2375	
Sales Goal	2065	2300	
% Variance	4%	3%	
SALES EFFICIENCY			
Average Order Size	69	66	
Order/Call Ratio	.44	.45	
FABRIC SALES EFFORT			
Fabric A			
Sales	625	750	
Sales Goal	575	600	
% Variance	9%	25%	
Average Order Size	48	60	
Order/Call Ratio	.39	.42	
Fabric B			
Sales	320	425	
Sales Goal	350	400	
% Variance	9%	6%	
Average Order Size	29	33	
Order/Call Ratio	.53	.66	
Fabric C			
Sales	480	550	
Sales Goal	440	500	
% Variance	9%	10%	
Average Order Size	51	43	
Order/Call Ratio	.47	.37	
Fabric D			
Sales	720	650	
Sales Goal	700	800	
% Variance	3%	19%	
Average Order Size	69	66	
Order/Call Ratio	.38	.33	

SALES ANALYSIS by salesmen shows on one sheet the variance in sales effectiveness between goal and actual result, by product, for each company salesman. Figures in circles are negative, pinpoint sub-par performances.

it in for acceptance by the sales manager. Copies of the acceptance order are distributed to those persons who need the information to prepare the various sales control reports.

Now the wheels begin to turn. A punch-card system is used to set up cards with information about company objectives and goals in great detail. Then various machine runs are made to prepare stratified reports.

One of the fundamentals of the

PORT CLEVELAND

"THE INDUSTRIAL GIANT"

NOW HAS THE HIGHEST SALARIED PAYROLL IN THE NATION

\$7631⁰⁰ per family per year
--average for the nation-- **\$5923⁰⁰**

COLORFUL POSTERS
reach this fabulously rich purchasing power....

FOR LESS THAN
18¢
per Thousand

Cleveland, Cincinnati, Toledo, Elyria, Lorain, Fremont, Sandusky, Tiffin and Ashtabula.

FOR MARKET INFORMATION WRITE TO: **Packer** 4600 CARNegie AVE. CLEVELAND, OHIO

**Sales Planning Specialist
Insurance Company**

satisfies most of the needs of extended territory and sales force planning . . . could not be duplicated at anywhere near the cost.

**Circulation Manager
Infant Magazine**

outstanding answer to a long-felt need . . . extremely useful sales tool for alert diaper service operators . . . can be used to qualify leads . . . screen mailing lists . . . establish potential and quotes . . .

**National Crusade Director
Research Fund Raising**

should prove valuable in . . . determining a priority for your residential organization . . . analyzing receipts against potential . . . analyzing crusade strength and weaknesses . . . determining potential areas for Special Gifts.

**Market Analyst
Savings and Loan**

useful both in locating new branch offices and in appraising residential areas for lending purposes.

Here is what they are saying about the revolutionary new Sanborn BUYING POWER MAPS

PRODUCED
IN COOPERATION WITH
MARKET STATISTICS, INC.
AND SALES MANAGEMENT, INC.

RESPONSE following introduction in the *Survey of Buying Power* issue in July has more than substantiated the belief of Sanborn Map Company, Inc. and Sales Management, Inc. that this new type of map would have wide appeal.

These quotations are only a few from many letters received from diverse business and industrial organizations as well as developers and planners. And the scope of uses to which they indicate the maps will be put is far greater than even we had originally envisioned!

If you missed the sample map and "introductory story," we will be happy to send you a reprint. No obligation, of course. Simply write:

Dept. 55,

SANBORN MAP COMPANY, INC. \ 629 FIFTH AVENUE • PELHAM, N. Y.



Men you want to reach



Robert S. Macfarlane, President, Northern Pacific Railway Company

"Railway Age... a necessary 'tool' in our business"

Railway executives consider Railway Age "must" reading. As Robert S. Macfarlane says, "...the magazine makes a real contribution to the various departments of the railway in their efforts to perform the best possible transportation services..... We at Northern Pacific regard Railway Age as a necessary 'tool' in our business."

Railway Age is the up-to-the-minute management weekly railroad executives pay to read. The business reading custom of Mr. Macfarlane's organization is shared by 96% of the presidents, 97% of the chief operating officers, 87% of the chief purchasing officers in railroading today—the decision makers, those who most influence the purchase of your products.

RAILWAY AGE
THE MANAGEMENT WEEKLY



The Simmons-Boardman Railway Group includes these 4 countries, each pointed to a different prospect-group within the industry: • Locomotives and Cars • Track and Structures • Signaling and Communications • Purchases and Stores.

Simmons-Boardman Railway Publications, 30 Church St., New York 7, N. Y.

system is to mechanize as much of the paperwork as possible. The new electronic equipment now available makes it possible to place all salient information on punch cards and then select this information as it fits the needs of each report. The same cards may be used to pull off the information for the forecast comparison, shipments by fabric, or the sales analysis by area. Carolina only wants that information from a card that is needed to point up a specific area of the sales picture.

The sales managers pointedly made one of the requirements of the total system a reduction of the paperwork of the salesmen. When the system is completely integrated into the sales effort, salesmen will be able to do away with many of their customer records. Equally important is a new order form, which reduces the preparation time as well as the handling time.

► **Stratified reporting:** The number of reports going to each sales manager is held to a minimum by a system of stratified reports. That minimum gives him enough of the total picture to do his job properly.

Stratified reporting is built into the system by designing the reports to meet the needs of only those who are to receive them (see accompanying box). The reports are integrated by level of marketing management so that each level receives a complete set designed to meet its specialized needs.

The general philosophy behind these stratified reports can be explained in this way: "To provide detailed data to those who need details, and to provide general information to those who need the over-all picture—and to be sure not to mix the two so as to provide a complex of facts understandable to no one."

For example, a field sales manager must direct his salesmen's day-to-day activities. Therefore he must receive such reports as the salesmen's call summary, shipments by customers in his district, sales analysis by his salesmen, and delinquent orders. But the marketing v-p is interested in the total picture. Therefore, he doesn't need the salesmen's call summary but rather the sales analysis, by district, by product; profitability analysis by customer, by product, and by district.

► **Integrating the reports:** The sales reports must be considered as a custom-made, coordinated system of facts. A sales executive cannot fully evaluate any one piece of his sales information by itself, but only as it is interrelated with others. But, once

In Delaware Valley, the Suburbs account for 65% of Food Sales



—And in Delaware Valley's suburbs, the Daily Inquirer is read by 27% more women than the major evening newspaper.*

So, if you want to sell more where they're buying more—put your advertising in The Inquirer!

*Source: "Philadelphia Newspaper Analysis" by Sindlinger & Company Inc. Highlights available on request.

The Philadelphia Inquirer

Good Mornings begin with The INQUIRER
for 1,433,000 adult daily readers

NEW YORK
ROBERT T. DEVLIN, JR.
342 Madison Ave.
Murray Hill 2-5838

CHICAGO
EDWARD J. LYNCH
20 N. Wacker Drive
Anderson 3-6279

DETROIT
RICHARD I. KRUG
Penobscot Bldg.
Woodward 5-7260

SAN FRANCISCO
FITZPATRICK ASSOCIATES
155 Montgomery St.
Carfield 1-7948

LOS ANGELES
FITZPATRICK ASSOCIATES
3480 Wilshire Boulevard
Dunkirk 5-3557

all these factors are visible, the complete picture of what is happening today projects information about tomorrow.

For example, the salesmen's call summary may point out that total calls were 125% of goal. The forecast-comparison-by-salesmen may show that sales were 110% of goal. The average-order-size ratio was 120% of goal. But the order/call ratio was only 80% of goal. On the surface, it may appear that the company had an excellent period—that the future should continue to be rosy, for the salesmen are really hustling. But, if the goals are realistic, it could also be that the company is in pretty

bad shape and that the outlook is bleak.

A closer look at sales-by-customer might show that a few customers increased their orders tremendously to meet their peak business in a few select markets, that the salesmen had to hustle to get any business at all from most of the customers, and that, actually, many customers have stopped buying. If the major factors influencing the next 3-to-12-months sales performance are considered fully by a system of sales controls, there would be ample warning of what will occur in the profit picture.

Top marketing executives feel that the greatest value of the new system

is "to spotlight the why behind results of the sales effort. . . . It points up the need to ask why and so to determine the appropriate action to be taken."

► **Interpretation of reports:** The buildup of facts, obtained in a quick reading of the reports, is designed so that the sales executive can place an exact value on the trends of sales over the next few months. By forecasting an upcoming change in sales—as well as the probable size of the change—Carolina Mills' marketing execs can be in a better position to make the decisions that will result in optimum sales and profits. ♦

ONLY YOUNG CATHOLIC MESSENGER blankets the Catholic junior high school market



- Guaranteed circulation: 900,000 ABC.
- Goes into 75% of all Catholic junior high schools.
- 68% of all Catholic junior high school students subscribe—and multiple use increases this coverage considerably.

YOUNG CATHOLIC MESSENGER, the oldest English-language periodical published exclusively for junior high school students, has served Catholic youth for 75 years. It is used as a current-affairs weekly in 8,000 schools. It has become a part of the Catholic educational system.

YOUNG CATHOLIC MESSENGER commands an acceptance ordinary magazines cannot hope to achieve. It carries the authority of teacher endorsement. More important, students want it and read it!

YOUNG CATHOLIC MESSENGER is used regularly by national advertisers to sell the youth market directly, to influence family buying, and to build a corporate image.

Write for Our Comprehensive YOUTH MARKET SURVEY

This 52-page survey of YOUNG CATHOLIC MESSENGER readers reports on their hobbies, company and brand preferences, favorite sports and equipment, and the products they and their families buy. Copies of *Youth Market Survey* are available free to manufacturers and their agencies—please request your copy on your firm's letterhead.

YOUNG CATHOLIC MESSENGER
Nelson A. Peabody, Advertising Counsel
276 West 43rd Street
New York 36, New York



Single Show Displays—North American picks up your display, gets it to the show on time ... giving your personnel plenty of time to get ready for the crowds. When the show's over, we return it to your plant.

Short Term Series—You give us your schedule ... we pick up the display and make all time and travel arrangements—storing between shows if necessary—and then return the display to your plant.



Which of these Display Shipping Services will give you lowest cost per exposure?



Long Term Series—We assign driver and van (as many as needed to exclusively handle your display), and pre-arrange all time and travel arrangements. This service is available nationally or internationally.

When you invest in a display—exposure is what you want for the payoff. North American Van Lines has assisted many firms in developing display itineraries, both in the U. S. and abroad. This "mobile merchandising" brings your sales story to your customers when and where your plans require. Just design your display and pick your spots, and North American's display service will give you a new dimension in promotion planning.

Ask your traffic manager, your local North American agent or write our World Headquarters in Fort Wayne for complete details.

NORTH AMERICAN VAN LINES, INC.

Dept. 24-2, Fort Wayne, Indiana

The Gentle Giant of the Moving Industry

◆◆◆ SPONSORS OF "CHAMPIONSHIP BRIDGE" ON ABC-TV



THE 20 MOST DECISIVE SALES EXECUTIVES AS

As you sit down in your chief-of-sales chair to initiate or approve a magazine advertising list, what do you *most want to know* about each magazine?

Your choice may be influenced by the interplay of a number of criteria, including the affect of magazine promotion—especially promotion *relevant to your sales objectives*.

Admittedly, most magazine promotion and sales contact is slanted toward agency and advertising department levels, where media promoters have easy entrée. Much less frequently are magazine sellers and sales executives able to get together face-to-face in a mutual exploration of sales objectives and the sales tool-values of magazines.

In an attempt to conserve the time of both magazine sellers and their sales execu-

utive prospects, **Sales Management** has just completed a unique study among typical subscribers, disclosing their consensus of magazine characteristics most helpful in selecting or approving magazines for advertising investment.

Two subscriber panels, one composed of sales executives in industrial product companies and the other consumer oriented, cooperated with **Sales Management** in answering this key question:

"Rank in order of importance to you 10 sales points a business magazine (or consumer magazine) might employ to tell its story." Results shown below.

To transmit this consensus to magazine sellers, **Sales Management** sponsored a "Read the Sales Executive's Mind" contest

TABLE I:

CONSUMER MAGAZINES

According to Sales Management
subscribers such as these . . .

R. P. Denahue, Gen. Sls. Mgr.
Libby, McNeil & Libby

R. R. Sills, Sls. Mgr.
Corn Products (Best Foods)

T. E. Batay, Vice-Pres., Sls.
Johnson & Johnson

H. R. Keith, Dir. Mktg. Serv.
International Business Machines

F. A. Nelson, Gen. Sls. Mgr.
Carnation Co.

John W. Hubbell, Vice-Pres.
Simmons Co.

Dan J. Olian, Nat'l Sls. Mgr.
Revlon, Inc.

L. F. Lyons, Vice-Pres.
New York Life Insurance Co.

R. S. Brown, Jr., Vice-Pres., Sls.
Brown-Forman Distillers

S. T. Pruitt, Gen. Sls. Mgr.
Ethyl Corp.

R. H. Gorman, Adv. & Sls. Prom. Mgr.
Hotpoint Div., G-E

J. L. Everhart, Sls. Mgr.
General Mills, Inc.

O. K. LeBron, Vice-Pres.
Hertz Corp.

K. G. Stolz, Dir. Advg.
Brown Shoe Co.

(and many others)

These are the strongest promotion and sales
points a consumer magazine can advance—in
order of importance.

RANK

1. What is its coverage by geographic areas?
2. How do distributors or dealers accept it as a sales builder?
3. Has its growth kept up with other magazines and/or national growth?
4. Cost per page per thousand comparisons?
5. What is its coverage by age groups?
6. What is its coverage by income levels?
7. What merchandising services does it offer?
8. What are the educational levels of its readers?
9. What marketing studies are offered?
10. What is the extent of its pass-on-readership?

3 QUESTIONS K ABOUT MAGAZINES

for business and consumer magazine executives and their salesmen. Composite rankings were purposely jumbled, sent to magazine people with the challenge to re-rank the points to match the consensus of our subscriber panels. In each division, consumer and industrial, the contestant who came closest to matching the consensus would win an expense-paid trip-for-two fortnight in Haiti, via B-O-A-C. Over 600 entries came in, were judged impartially by the Contest Management Division of Richard Manville Research, Inc., New York City. Grand prize winners, who have been notified of their sales executive mind-reading skills, are:

Consumer magazines:

Frederick M. Hodgdon, representative,
House Beautiful, Chicago office

Industrial magazines:

Joseph T. McCourt, sales manager,
Purchasing Magazine, New York City

Serving sales executives, **Sales Management** constantly challenges *all* major media to develop sales techniques and promotion corresponding with interests and informational needs of sales-minded executives. Since advertising is nothing more or less than a sales tool, **Sales Management** is a logical communications liaison between the *users* and the *sellers* of advertising. Our subscriber panels have given magazines a blueprint for more effective selling approach. A similar study—and competition—will be conducted in early 1961 in the broadcast and newspaper fields.

Sales Management
THE MAGAZINE OF MARKETING

TABLE 8.

BUSINESS MAGAZINES

According to Sales Management
subscriber rank as follows . . .

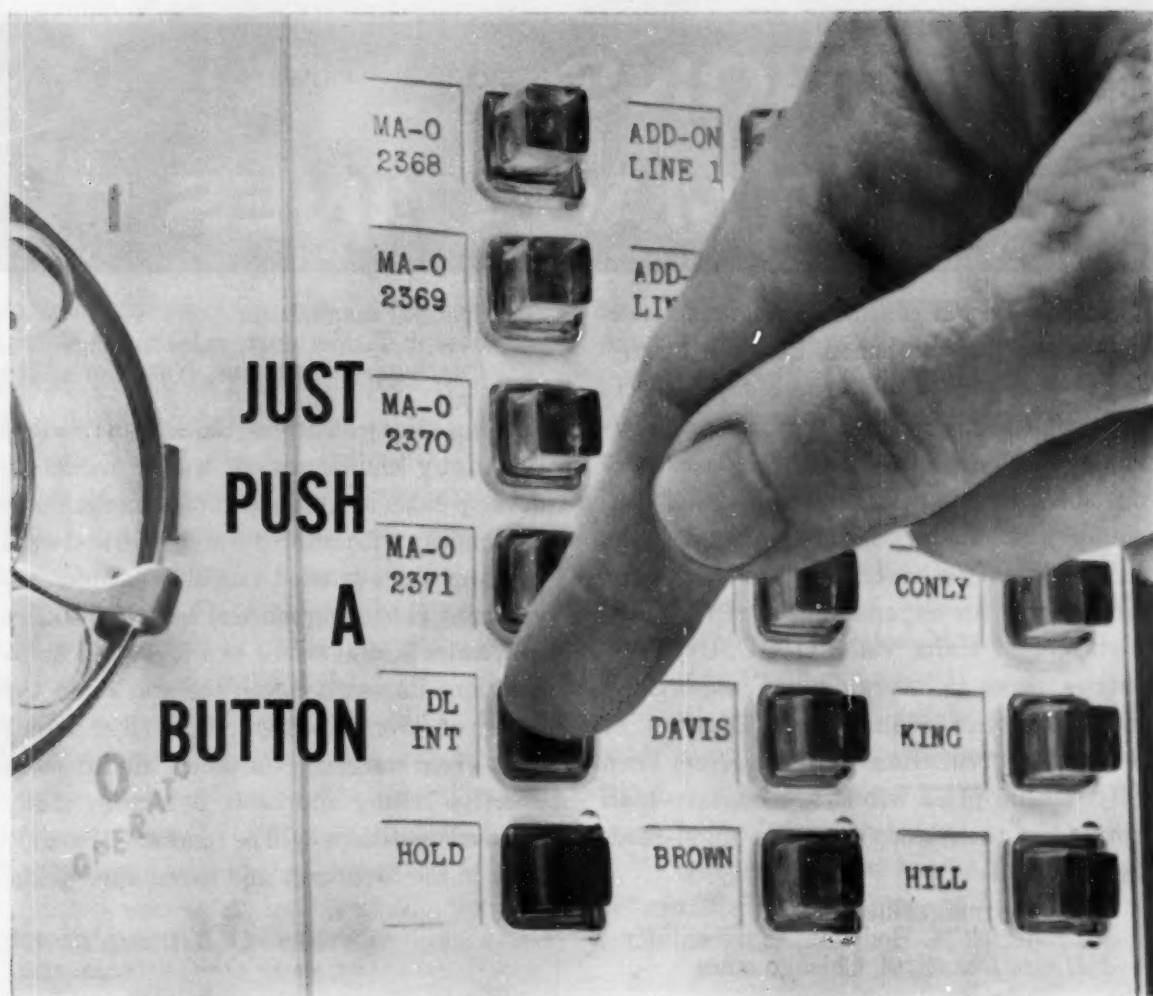
W. J. Buckige, Vice-Pres. Johns-Manville Corp.	Charles H. Slater, Mktg. Mgr. J. T. Baker Chemical Co.
B. M. Stevens, Sla. Mgr. International Business Machines Electric Typewriter Div.	Matthew Lyon, Gen. Sla. Mgr. Brown Corp.
G. C. Kellerman, Ind. Sla. Mgr. Socoy-Mobil Oil Co.	A. F. Woods, Sla. Mgr. Corning Glass Works
W. H. Kieffer, Gen. Sla. Mgr. Ciba Co.	A. L. Gray, Dir. Sla. Pfizer-Farmatit Co.
J. P. Coughlin, Vice-Pres., Sla. American Hard Rubber Co.	J. J. Frey, Vice-Pres., Sla. Ethyl Corp.
M. J. Tirman, Sla. Mgr. Babcock & Wilcox Co. Refractories Div.	M. Schwartz, Vice-Pres. Pyramid Instrument Corp.
	G. F. Burns, Vice-Pres. Smith-Corona Marchant, Inc.

(and many others)

These are the strongest promotion and sales
points a business magazine can advance—in
order of importance:

RANK

1. Who are the readers and what do they do?
2. What proof that my customer-prospects really read this publication?
3. How many of its readers would be prospects for me?
4. How large is their market for my product and how well do they cover it?
5. Why is it a better buy than its chief competition?
6. How does it build its circulation and identify its readers?
7. Who are the editors?—Their qualification?
8. What merchandising services are offered?
9. Where is the market located, by geographic areas?
10. What market studies are offered?



...and your intercom system is in action!

*it's the **CALL** director telephone*

... a real boon to busy businessmen. It puts the people you work with right at your fingertips. No office communications system ever kept you so much "in touch."

You make inter-office calls by merely pushing a button or dialing a number. In case of a busy signal, a special "camp-on" feature automatically connects you when the line is free.

You can hold telephone conferences with up to six people. Just push a button. You stay right at your desk

... save time, steps and trouble ... and get a lot more work done.

You can add another inside party to an outside call and have a three-way discussion. No need to transfer calls back and forth. You settle things *fast*.

You can pick up calls on as many as 29 outside, extension or intercom lines ... and *hold* calls on several lines if necessary.

Just one example ...

The Call Director telephone with Bell System intercom is typical of many new Bell System advances in business communications which could

boost operating efficiency and profits for your firm. Get the whole story. Just call your Bell Telephone business office, and a Bell representative will visit you. No obligation, of course.



Available in this 18-button executive model, as well as a 30-button secretarial model ... in green, gray or beige.

BELL TELEPHONE SYSTEM



A Letter from FTC — for You

Any day now the chief marketing executive of any company could get a letter from the Federal Trade Commission.

The letter would request confidential company information on trade practices—on pricing, discounts, co-operative advertising allowances, on just about anything.

The letter would remind the marketing exec that an early reply is expected—that failure to supply complete answers, under oath, would cost \$100 a day for a tardy reply.

This may sound illegal, or unconstitutional, but it isn't. It's written into the original Federal Trade Commission Act (section 6b).

In its 46 years of business, the FTC has never before exercised this power to investigate an entire industry through the mails. Now it has dusted off this powerful little weapon and even tried it out on the giant food industry.

FTC Chairman Earl W. Kintner calls it "a significant addition to the Commission's arsenal of enforcement techniques." He explains that past FTC efforts to remedy widespread violations of the laws have "suffered from a piecemeal approach" because of limited manpower and funds. He points to this new method of sleuthing by mail as a "quick and economical means" of investigating alleged discriminatory practices throughout an entire industry.

► Early this year the FTC began its first industry-wide use of this special technique. It blanketed the food industry with questionnaires. Orders to file reports on various trade practices went to 113 suppliers, 211 grocery chains, and 118 fruit packers.

The aim: To determine whether co-operative advertising allowances and brokerage payments were discriminatory. The results, to date:

Answers from most of the companies.

The answers triggered a barrage of FTC complaints, particularly charging the fruit packers with making illegal brokerage payments to some of their customers. The number of FTC actions resulting from this single mail-investigation has now topped 50 and is still heading upward.

FTC is pleased with the results: "Quick, inexpensive and efficient investigation of industry-wide practices has been achieved."

The mail-sleuthing technique does have its virtues—all violators within an industry can be dealt with quickly, simultaneously, fairly. But it has a built-in weakness, even a rottenness—for it can be used at the whim of the FTC to conduct fishing expeditions of entire industries. This weapon could be used carelessly, arbitrarily, even unconstitutionally, to invade a marketer's privacy and to harass honest businessmen. ♦

CONSIDER THIS FAMILY in Your Next Ad Budget



This South Bend family is typical of 72,200 other households in the Metro Area that are mighty important to your sales chart. They have more money to spend annually than any other household in Indiana . . . \$7,553 to be exact. And while they're big spenders, they also manage to save. Bank deposits are at an all-time high in the city's history.

It's easy to reach this metropolitan group . . . 92% of them read The South Bend Tribune. They and their neighbors in The Tribune's 16-county area of penetration add up to almost a million people with nearly \$2 billion to spend. Get into the South Bend market with a Tribune schedule. Write for free 1960 market data book.

**The
South Bend
Tribune**

Franklin D. Schurz Editor and Publisher

Story, Brooks & Finley, Inc., National Representative

Sales Management September 16, 1960 141



If *you* seek a *quality* newspaper audience in the wealthy Los Angeles market, consider this fact: a survey of the newspaper preferences among Western executives listed in Dun & Bradstreet, *proved* this newspaper to be first, *by far*, among *all* evening newspapers in Southern California.

SOURCE: 1959 Wall Street Journal Survey

LOS ANGELES
EVENING

HERALD-EXPRESS

Largest Evening
Paper in the West

REPRESENTED NATIONALLY BY MOLONEY, REGAN & SCHMITT, INC.

9 Hot Potato Problems in Mergers

Few mergers take place without some confusion. Fewer still look good to two sets of personnel, stockholders and customers. But if the basic communications and adjustment problems are worked out in advance, headaches can be kept to a minimum.

By HENRY L. McINTYRE
President, Pacific Industries, Inc.
San Francisco, Cal.

Mergers, like marriages, may be contracted in haste, repented at leisure, or lived with in uneasy tolerance. How may the merging of two (or more) companies be accomplished with the least friction and the greatest advantage to all concerned? Above all, how may customers and good will be retained?

As the president of Pacific Industries, a company that has been built by the acquisition of established businesses, I would say without hesitation: by having enough advance information to be able to foresee the problems most likely to arise, facing them at the outset, and solving them

as far as is humanly possible before the merger takes place.

The best way to show the practicability of this approach is to examine some of the most frequent problems that may come out of the merging of two companies or the acquiring of one or more by another.

But, first, why do companies merge or acquire? The reasons may be as varied as the mergers, so let us select a few of the outstanding ones. Here is a hypothetical case of a furnace manufacturing company which acquires another furnace company. Why did it do this?

1. Perhaps it was a sectional concern selling only in the East; so it bought a West Coast company to become a nation-wide organization.

2. If both companies have been

selling nationally, the first might buy the second (a) to obtain better manufacturing facilities, (b) to gain better or more economical distribution, and (c) to get management from the second company.

The potential problems are greatest where both companies are nationally operating concerns. They then have what would appear to be duplicate marketing effort and personnel. They are confronted with the need to sort out the original two sales or marketing groups, and other duplicated groups of personnel, so as to end up with one optimum group in each case. Thus, I would say, in a merger the single biggest problem is . . .

1. Sorting out the People

Obviously, if you now have an eastern and western division, each with its local staff, no sorting in the strict sense is required. They may serve for most purposes as they did before. But where the functions of the two former organizations are duplicated, as in marketing, sorting will be necessary.

In my opinion the time to solve these people problems is before the merger. It is easier, both psychologically and physically. Costs can be foreseen and evaluated — kept from cropping up later as an unpleasant surprise.

You may wonder: How can we sort out people when we don't know them? How is it possible to decide that my sales manager ought to be assistant to yours or vice versa? . . . That these men must be retained here, moved there, or those eliminated? My answer is: You had better find out. And you can. The techniques may be young, but there are ways of taking an inventory of people.

During the past ten to 15 years

Key Considerations for a Smooth-Running Merger

- When to sort out the people.
- Establishing early which company is the parent.
- Smoothing out a changed work climate.
- Correlating differing work methods.
- What to do about company and brand names.
- Consulting and informing stockholders.
- Preparing information channels for the post-merger company.
- Maintaining an attraction for creative people.
- Keeping your marketing men—and customers—satisfied.

some quite encouraging techniques have been worked out for appraising people.* With professional help available, and the new techniques making possible an understanding of the functional organization of a company as well as the strengths and weaknesses of the individuals comprising it, intelligent sorting out of people before the merger is by no means impossible.

The sorting out is done on the basis of an individual's present function and past record, in combination with a personality evaluation. Planning the sorting before the merger prevents situations, which we have all seen, of mergers two or three years old where the people still don't know where they belong or where they are going.

2. Who Bought Whom?

It is surprising how often the question arises after a merger as to who bought whom. When it does, it can be troublesome and even painful, with more or less overt struggle for power between groups or individuals. This situation can easily occur in the area of sales or marketing, particularly where one organization in a company

* For example, the kind of work being done by Dr. Robert N. McMurry. A report on his Management Clinic is published by Simon & Schuster.

has been very active and is playing a key role in the merged organization. It is well to understand at the start which is the acquiring company and thus avoid later destructive conflicts.

3. Motivation in a Changed Climate

Mergers can play havoc with motivation of personnel if you are not careful. Two types of merger in which such trouble is especially prevalent are: (1) where two previously competing companies merge, and (2) where a large concern takes over a small one or one which has been closely held. In the first case, the marketing group of Company A for years has been out competing with Company B, perhaps even knocking its products. Now they are one company, selling both sets of products. Obviously something must be done about re-orienting and motivating the marketing personnel. It is well to decide before the merger what sort of a program is to be formulated.

The second situation may give rise to more difficult problems. In the case of a small concern acquired by a large one, or a privately owned company by a corporation, the key man or men in the acquired organization are no longer working for themselves. While money is an important source of motivation, it is by no means the only one. I like to feel

that it is the climate in which a man works that is most important to his motivation. By climate I mean the recognition of his work, stimulation of his interest and initiative.

This particular problem is one with which we have been particularly concerned at Pacific Industries. Most of the companies we now own were closely held family businesses in which the owner ran the show and was responsible to no one but himself. His organization, in turn, was of course a smaller total complex than PI now is and its people were accustomed to direct contact with the owner. Merge such a firm into a large company and the climate changes.

How a propitious climate is to be established in the new situation is difficult to decide. Much depends on the kind of merger, the personalities, the relative sizes of the companies involved. What must be kept in mind is that those people whose climate has been altered will need help.

4. Methods of Doing Business

It is well to face the fact that a merger may be bringing into conflict two or more different methods of doing business. This may be particularly evident and dangerous in the marketing departments if not tackled and solved realistically before trouble can arise. Take, for example, the situation in which one of the merged organizations has a sales staff that has worked on salary, while the other's has been accustomed to commission. Attempting to bring either into the other framework could cause a traumatic situation, even with the use of understanding and finesse. It may turn out best to leave each with its original method of compensation—the East on commission, the West on salary, if the merged companies were so set up.

Another example finds a company that has operated with direct selling merging with one that has used manufacturers' representatives. The question then is which of the two methods to adopt for the entire merged company. Or would you retain both? This is something else that it is well to figure out in detail before the deal is made.

5. Product Identification

What happens to your brand when you merge? To your company name? Do you maintain the brand of the acquired company or impose your own? Or will you start a new brand? We have seen a variety of answers to these questions. Nash and Hudson adopted new brand names (Rambler and Metropolitan) when they merged, and a new company name—American

Merger Maker

Henry L. McIntyre has been president and director of Pacific Industries (Los Angeles) since January 1958, and earlier this year was instrumental in PI's acquisition of Midland Manufacturing Co. and Wright Electronics,



Inc., which added the manufacture of communications and electronic components to the company's diverse product lines.

A former practicing attorney in Chicago and Washington, D.C., he was for six years secretary-treasurer of Hiller Aircraft Corp., and later one of the principals of a real estate and manufacturing firm.

A long history of mergers has brought Pacific Industries from a gold mining concern, incorporated in 1894 as the Central Eureka Mining Co., to its current multi-divisional form. The company's activities include furnace manufacture; commercial, industrial and military developing and printing of film and electronics.

YOUR POINT OF SALE...



IN THE BIG, BOOMING YOUTH MARKET

Today's big trend to self-service has created a new point-of-view on *point-of-sale*. Advertising has a bigger job to do. That's why more and more advertisers are using the power of SEVENTEEN — the magazine that made the Youth Market — the magazine where brand loyalty *starts*. The love of its readers for this magazine generates amazing buying action. Teen-age girls, who spend \$4.8 billion of their own money every year (and billions more of their families') buy more merchandise from SEVENTEEN than from any other magazine.* If you want them to reach for your product today, tomorrow and for years to come... make SEVENTEEN your *point-of-sale*! *Gilbert Youth Research



it's easier to **START** a habit than to **STOP** one! SEVENTEEN MAGAZINE • 488 Madison Avenue, New York 22 • PLaza 9-8100

Sales Management September 16, 1960 145

Spendable income for Ohio farm families hits \$1,277,100,000



Farmers are industry's biggest customers . . . big because they spend from gross income . . . not from a worker's paycheck, minus deductions (net income).

As farm operations become larger and more mechanized, purchases increase. Since 1940, capital goods outlays have gone up 582 percent . . . production spending up 398 percent.

Ohio farmers buy in a typical year: tractors — 35,500 units; fertilizer — 1 million tons; building materials — \$373,822,000; drugs — \$90,509,000; furniture and appliances — \$171,470,000; food — \$830,833,000; automotive — \$707,400,000; gas and oil — \$284,697,000.



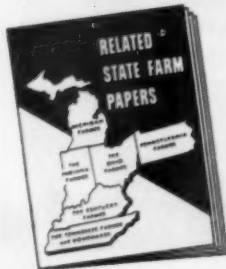
You reach him BEST in his own state farm paper

Local editing creates a climate of confidence in THE OHIO FARMER — merging your sales story with his shopping list.

Farmers prefer THE OHIO FARMER 2 to 1 over any other farm magazine because articles are right for their soil and their crops.

State farm papers provide a reader environment rich in interest and trust . . . an atmosphere in which your advertising sells harder . . . is more impressive . . . more persuasive . . . more convincing.

Only state farm papers support your ads with local editing. Want proof? Send for free folder.



The OHIO FARMER

CLEVELAND 14, OHIO

STRAIGHT-LINE ADVERTISING available also in —
MICHIGAN FARMER • PENNSYLVANIA FARMER
THE INDIANA FARMER • THE KENTUCKY FARMER
THE TENNESSEE FARMER & HOMEMAKER

Motors. On the other hand, Life magazine bought its name from a long established magazine. In any merger there is the choice of: (1) both brands or names being retained; (2) that of Company A alone; of Company B; or (3) a new brand and/or new company name. What is decided is vital to marketing. Decisions must be made in relation to past reputation—and future plans. It's well to have them at least in outline before the merger is completed.

6. Keeping Stockholders Happy

Important to any public company is a body of satisfied stockholders. If two companies which merge have somewhat differing policies, particularly with respect to dividends, and these remain unresolved, you can run into trouble. The same is true if the management of the merged companies sees long-range advantage in somewhat altering the direction of the organization. Whether it is a matter of differing original policies or of new future plans, the acquiring company has the problem of winning the stockholders' acceptance.

To illustrate, let us return to the hypothetical example of an eastern organization and a western one, both manufacturing furnaces. The reasons for the merger are (a) to become national and (b) to then add an air conditioning line. Going into air conditioning is a direction which may or may not rouse enthusiasm among the stockholders of the acquired company. Conflict may arise over expansion of the business vs. containment in the original field of endeavor.

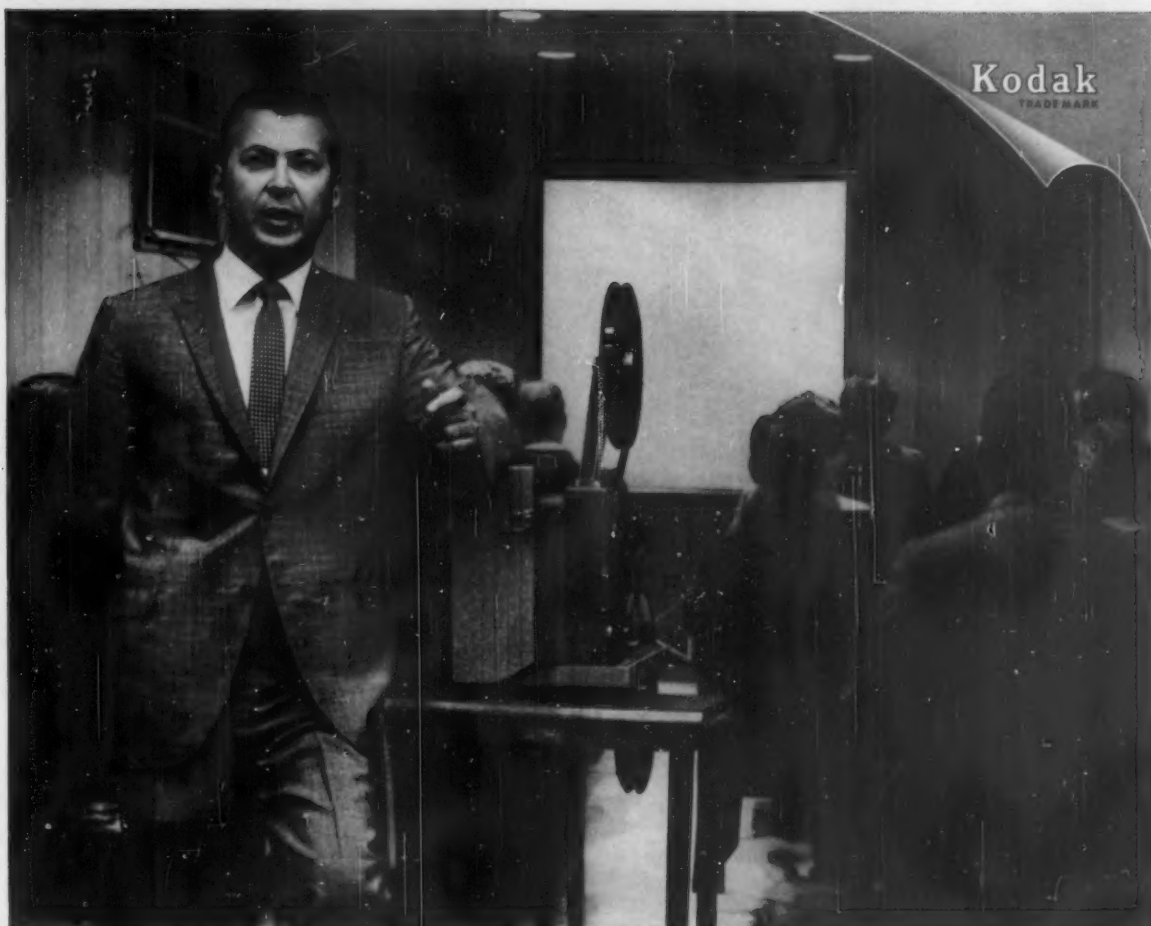
Some stockholders prefer a company that plows its earnings back into the business. Others like one that pays out maximum dividends. One type may predominate in Company A, the other in Company B.

Yet such conflicts can be prevented. Stockholders must approve of the merger and if they are informed fully, in advance, of potential or proposed changes of policy or future plans, they are not surprised and, therefore, less likely to be resentful than if they were later presented with something all set to go.

7. The Acquiring Company Changes, Too

The acquiring company must realize that after a merger it, too, will be different. Changes may be tremendous, or minor, but change there is. The degree of alteration will depend on whether it ever had a merger before, the size of the company, etc.

Because of the new setup, it will be less informed about total company



"... 28 minutes after I flip this switch,
I can count on 25% of my audience becoming buyers"

"We like to imagine the sound of switches clicking among our 'fleet' of Kodak Pageant Projectors. For with every click, we know this 28-minute movie will open another portion of the 400,000 sales leads we expect from it this year."

These are the words of sales genius Herman Perl, Chairman of the Board of Charlex Realty Corp., Newark, N. J., selling agents for General Development Corp., developers of huge Port Charlotte, Florida, homes and sites.

"A convincing film is a formula for sales success," says Mr. Perl. "From experience, we know films sell. Any of our salesmen can show our Port Charlotte film to anyone, anywhere, at any time, and produce leads. And because it's filmed, the presentation is never di-

luted, always perfectly duplicated, always successfully the same, whether shown in Bangor or Kokomo.

"This film program gives us another bonus: an enthusiastic sales force. Salesmen know that to *show it* means to *sell it*. So they eagerly pack equipment and show it. We are careful that the equipment we give them guarantees a smooth-running performance."

Mr. Perl's firm owns 60 Kodak Pageant Sound Projectors. They have made approximately 6000 showings in the first half of 1960 without a single projector mishap.

"Our salesmen aren't mechanics," Mr. Perl continues. "Their projectors must be easy to set up and operate, without a hitch. They must have a projector that doesn't get in the way of their

presentation. And these Kodak Pageants fit the bill extremely well."

If you would like full details about Kodak Pageant 16mm Sound Projectors, tear out the coupon and mail it today.

9-222	
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ADDRESS <input type="text"/>	
CITY <input type="text"/>	ZONE <input type="text"/> STATE <input type="text"/>

Kodak Pageant Projector >

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Both first class and tourist
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BRANIFF *International* AIRWAYS

operations than it was before. Certainly it will be less than ideally informed about that side of the business carried on by its acquisition. Take our case of the merging of an East Coast and a West Coast company. The western firm has never marketed in the East. Perhaps the reverse also is true.

Or, there's the matter of allocating money. Before long the question arises of putting up another plant. The East Coast division of the merged company says business is tremendous: a new plant is needed at once. The West Coast division tells the same story. There is money available for only one plant. Which area gets it?

The solution is a matter of getting information. If you have the essential facts the decisions make themselves. This information gathering should begin even before the merger is completed. If decisions are to be sound, the acquiring company must quickly arrive at the point where it has as much—and as accurate—information in its changed form, as it was accustomed to having before the merger.


8. Attracting Creative People

Competition for manpower is a serious matter for all companies. In a given kind of industry one type of company may prove more attractive to desirable talent than others. Take electronics: A relatively small electronics company can give stock options to engineering and technical people or to marketing men, and so hold more attraction than a national giant.

If a company is making acquisitions with the idea of becoming a large organization, it may be that it will lose some of its appeal for the technical, creative people who built it in the first place. The ones who are already there may not be retained, and the inflow of new talent may be slow. This loss of men, and failure to go on attracting men, who enjoy independent action may be a serious problem. It is something that should be carefully weighed. If a merger is likely to markedly alter the character of a company, it is well to weigh the advantages and disadvantages carefully, to determine if it is possible to keep the small company situation and climate by means of a variety of management techniques. Perhaps there is the possibility in such a case of a sort of psychological decentralization.

9. What About Customers and Sales Personnel?

What happens vis-à-vis customers is crucial to marketing and can prove



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I read it
in Newsweek

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a real hot potato in the field of sales. For this reason, it should be kept in mind from the start of any merger negotiations.

These problems are, basically, two. First, the position of the customer before and after the merger: Unless you plan what you are going to do and anticipate his requirements, you are apt to lose your customer franchise. Second, the reactions of your sales personnel: Without planning and proper communication at the psychological moment, you are liable to find yourself in a position where your sales and marketing people are not with you.

If Company A and Company B, both selling nationally, have marketing and sales staffs that have proved weak or incompetent, the problem is easy: Get new people. If one company has a strong marketing group, the other a weak one, again there is no problem; you keep the strong group. But difficulty arises if both groups are substantially strong and capable. Because they are strong, they are self-confident and are the more likely to leave you, failing your communication of satisfactory plans.

► This is a pity because, contrary to the way it appears to the men involved, you may have plans to use both groups.

Communications, therefore, are of tremendous importance in any kind of merger. Play it close to the vest at the start, but as soon as any public information leaks out—or even a rumor—it is essential to tell your people what is going on. At PI we feel that communication on what is pending should include the fairly senior management people, including key individuals in marketing and sales.

These problems are just a few of the ones likely to be common to all mergers. There may be countless more. Marketing men, who increasingly are sitting on boards of directors and concerning themselves with top management decisions, had best do two things at the start of merger talks: (1) get an exhaustive check list of what is going to be looked at, and (2) urge that a good lawyer sit in on the exploratory and subsequent discussions.

For any proposed merger, get the facts; arrange them in logical sequence; evaluate; decide what you are going to do. And unless it is possible to make specific plans—don't merge. For a merger to have meaning, the subsequent result must be a situation where one and one equals more than two. If it only equals two—don't merge ♦

Are You Satisfied with Your Sales to the Oil Drilling - Producing Industry?

NO ONE IS - but, if you're not getting your share, read how the new GPC Marketing Plan coordinates your advertising, cataloging and direct mail to the greatest concentration of buying power in this specialized industry.

EFFICIENT INDUSTRIAL MARKETING requires coordination of your advertising, cataloging and personal selling. Each must be designed to accomplish its major function most effectively and economically. This is particularly true when selling to the oil drilling-producing industry.

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prospects. This can result in important buying actions in your favor, opening more selling opportunities for your men. Your product information is *instantly accessible* to prospects at any hour, day or night. You can get inexpensive reprints of your buying action catalog to supplement your selling catalog.

For your direct mail, use the mailing service to the distribution list of the **COMPOSITE CATALOG** to merchandise any changes in your product line, prices, distribution methods or sales program. This list of drilling-producing buying power, the only one of its kind, is continually maintained at considerable expense, but is made available to CC catalogers at lower-than-usual direct mail costs.

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The 'Secret' Hand in Private Brands

(continued from page 39)

labels for a few hotels in the Far West.) Seagram's may be between 1% and 2%—R. H. Macy being one customer. Hiram Walker's is 2% or 3%. Schenley sells about 5% for others.

One-fourth of all liquor consumed is "illegal"—and could be anybody's, or nobody's, brand. Of the "legal" total, 10% is now said to be private-labeled. But this ratio is growing. Though the private labels will not be found in state liquor stores, their volume is substantial in open states—particularly in Southern California, Missouri and the New York metropolitan area. The primary private-brand producers are such middle-size distillers as American, Barton, Heaven Hill and Mr. Boston.

Food Private Brands Lead

Some estimates now place the pri-

vate-brand share of total super market grocery volume (excluding meats and produce) at 20%.

In addition to separate own-brand campaigns, big A&P is reported to devote 90% of its newspaper advertising to its own labels.

Some large chains—Safeway and Kroger, for example—base incentive programs for managers and employees on ability to sell their brands.

And some super market operators are willing to "prove" in public that their own brands are at least as magnetic to shoppers as national brands—and a lot more profitable to themselves. Before American Marketing Assn. last year, V-P Norman S. Rabb of the Stop & Shop chain, Boston, gave detailed figures to show that his company's own labels provided markups usually 50% or more higher. While of course starting at a lower

level, by the end of the third year private labels were moving about three times as fast as comparable national brands.

In recent years groups of grocery and other retailers have developed their own brands even faster than have the chains.

Cooperative Food Distributors of America, Chicago, now embraces 101 co-ops serving 24,000 retailers with a 1959 combined estimated volume of \$8.250 billion—or 17% of the total U.S. grocery business. Joseph H. Fov of Grand Rapids, chairman of CFDA's trade relations committee, tells Food Topics: "Private labels just don't grow. They develop to fill a need at the retail level." Instead of "sitting back and wringing their hands," national-brand promoters should strive to learn "why distributor-controlled brands are hurting their sales."

The 5,000 member stores of Independent Grocers' Alliance now do 10% of their total \$3-billion volume in IGA brands.

Topco Associates, Chicago, serves middle-size and smaller grocery chains. Last year—in addition to the handling member chains' own labels—it was reported as moving more than \$120 million of group-label merchandise through 3,780 stores.

Today chains and groups that emphasize **manufacturers'** brands are newsworthy largely as **exceptions** to the distributors'-brand rule. Recognizing this trend, many brand manufacturers are climbing aboard.

John Fox of Minute Maid says that "70% of our plant capacity turns out store brands." Another big factor in frozen citrus products, the Horsey division of Salada-Shirriff-Horsey, reports that "80% of our business is in buyers' labels."

► In a study on "Private vs. National Brands" (July 4, 1958) SM showed, among other things, how big national advertisers are glad to serve the third largest grocery chain: "General Foods makes Kroger's 'own' cornflakes; Quaker, its oats; Hi-Grade, its luncheon meats, and Del Monte and Libby, 'Kroger's' canned fruits and vegetables."

Today one grocery authority points out that "the major food advertisers are going increasingly into private brands." Among them he mentions National Dairy and Borden in ice cream, General Mills in cereals, General Foods and Standard Brands in coffee. He adds that Oscar Mayer, meats—until now "almost 100% own-brand"—recently introduced its first private label.

Another grocery specialist mentions fruit-and-vegetable canners as one

Von's — and Other Chains — Build on Known Brands

Though Super Market Merchandising has shown that 84% of super markets carry private brands, and 59% expect to expand their number, the publication still finds chains whose growth is being built predominantly on nationally advertised brands.

The latest in a series of detailed case studies—described by President M. M. Zimmerman as "the greatest national brand documentary we have featured in 25 years"—appears as "The Fabulous Von Story" in the July and August issues, and is being reprinted as a book.

The study covers 48 weeks of warehouse grocery movement in 1959 through Von's stores.

From an original investment of \$2,500 in 1932, the Von Der Ahe family has built its California business to about \$200-million annual volume.

Harold G. Ward, sales and merchandising manager, says that "the super market industry owes a debt to the national brand manufacturer. . . . Much of its success has been due to the tremendous promotional activities of national brands."

Ward shows that "private brands do not adventure. They cling to the coattails . . . of brand manufacturers." Also, few private-brand promoters, he believes, "actually comprehend the true profit picture on these labels. We know where we stand right down to the penny on our merchandise. That is one of the reasons why we haven't much confidence in private labels."



In Los Angeles, the nation's largest automobile market, The Los Angeles Times carries your advertising into more homes every day than any radio program, than the average nighttime network television program and, of course, than any other newspaper. That's why your automotive advertising dollars belong in The Los Angeles Times. Daily, 523,626; Sunday, 913,042.

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The 'Secret' Hand in Private Brands

(continued)

group that is glad to meet crop fluctuations by packing for others, and Borden, Carnation and Pet, among others, as increasing private-brand efforts to avert a glut in milk.

A third informant shows that "almost 40% of all peanut volume is now done under private labels." Other private-labeling examples range from GE's willingness to pack flash bulbs for others to Beech-Nut Life Savers' distributor labels in coffee and candy.

► More than half of the 100 top advertisers—in drug and household products as well as food—are members of Grocery Manufacturers of America. These big advertisers today take with a grain of salt the sugar presented annually by A. C. Nielsen Co. on continuing national-brand strength.

For a decade or more, Nielsen tells them, sales of major advertised brands in 38 food-store commodities have held their lion's share against minor and private brands. As compared with 74.5% in 1951, Nielsen says, the "majors" had 74.8% in 1959.

But, though Nielsen's Food Index may be helpful in revealing competitive standings of individual brands, manufacturers say that it completely misses some big parts of the market—specifically all A&P stores.

The actual fact is, as Paul S. Willis, GMA's president, tells SM, these big advertisers regard the private-label trend with growing concern. Early in 1959, "in response to many suggestions and complaints," Willis explains, GMA outlined plans for a thorough, long-range study of "Prevailing Marketing Practices and Policies"—including private labeling.

Temporarily postponed, the study

has been revived. The first outline of its scope included: factors influencing distributors in stocking private brands; "how manufacturers, inadvertently or otherwise," help them to develop and promote private brands; how distributors may be hurting themselves by promoting private brands. On the last point: Why should the retailers emphasize their own brands, "when good merchandising suggests that such space and promotions be given to the popular sellers?"

In "their own self-interest," GMA suggests that manufacturers reduce distribution costs, to make their retail prices comparable with those of private brands; ensure that money paid for co-op advertising is used for it; separate the "real customers" from the mere "handlers" of their products; inform their own salesmen of the advantages of advertised brands and the disadvantages to distributors of private brands: "Duplication of inventory, risks of market changes, etc."

► The manufacturers should "promote the quality of advertised brands."

At the same time their top managers should "evaluate the end net profitability from . . . supplying private brands. . . . If your price differential is too wide, it may in the long run seriously affect the franchise on your own brands."

To distributors (retailers), GMA and its members individually would prove "what happens to distributors' sales and profits when . . . manufacturers' brands are given equal [or even preferred display] position."

To consumers, GMA and the members are expected to say a lot about

"quality" and "freedom of choice" with a program on, "Nationally Known Manufacturers' Grocery Brands."

"GMA has no quarrel with private brands," Paul Willis tells SM, provided their promoters keep their prices in good balance; give them profit opportunity [do not use them simply as loss leaders]; give national brands equal shelf opportunity, and do their part to eliminate co-op evils."

(With six national wholesale and retail grocery associations, GMA has written a booklet on "Trade Practice Recommendations for the Grocery Industry," some 50,000 copies of which have been distributed.) See Sales Management, Dec. 4, 1959.

► In groceries and other industries, national advertisers take the lead in introducing new-and-different products. Once they succeed, the private branders follow.

But even when a national-brand manufacturer has conceived and developed and fought for and finally won a market for a product, the company may not be bright enough to hold onto its "franchise." Grocery men cite this example: "Through more than a decade, General Foods put \$20 million into perfecting and building Birds Eye frosted foods . . . and then did not patent the process." Legally and otherwise, Birds Eye "failed to build a franchise." Now, scores of private brands are making capital out of Birds Eye's pioneering. (GF did not patent the Birds Eye process in order to encourage competition and thus stimulate more rapid acceptance.)

However, in foods and other industries there is still some doubt about the degree of pioneering for, and of, national brands.

William T. Brady of Corn Products has taken his fellow food manufacturers to task on this score. Probably, their ratio of research-and-development to sales is only one-sixth as high as in such industries as chemicals and ethical drugs.

But when manufacturers do come up with something new-and-better, they can still build a strong franchise. A leading grocery maker gives current examples: "Snow Crop offers a new concentrate with more juice and a fresh taste. . . . Duncan Hines (now part of P&G) steps up sales with a cake mix that has a flavor the consumer likes. . . . Demand for a new shoe polish, introduced by S. C. Johnson in the Middle West this year, has been so great that the company lacked the production facilities to expand it to other markets."

One way in which manufacturers might meet the store-brand threat is

What Packages Do They Like?

Beginning—October 21—an exclusive and comprehensive survey of consumers' likes and dislikes in today's grocery packages. Conducted jointly by Sales Management and National Family Opinion of Toledo, Ohio, this survey represents the opinions of over 1,000 women on such vital packaging subjects as: price vs. greater convenience; brand switching for better packages, many others. Also coming up: homemakers' attitudes toward such "packages of the sixties" as aluminum cans, plastic containers, soda in cans, "convenience" packages and more.



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In choosing advertising media, the whole trick is finding the one that reaches more of the people who can buy your product or service.

Sales analysis has shown a great many companies that 80 to 90% of their business comes from 10 to 15% of their market. With few exceptions, this market and selling situation applies to all companies we serve. They know that direct mail is a natural for developing the markets that *count the most*. Results are better, costs are lower, when you use direct mail to reach those who have *reason* to listen, *reason* to buy.

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to go into retailing: If big retailers can influence or own **sources**, why don't manufacturers own and operate **outlets**?

In some directions the latter trend has made some headway. It has progressed in industries from drugs (Rexall-Liggett) to tires (Firestone, etc.). In some others, such as oil and beer, however, it has been specifically outlawed. Among all industries, probably, "owned distribution" has made most progress in shoes.

► Foods are something else again. Grocery men point out that it costs \$1 million just to start a single middle-size super, and that, even then — and despite their wide lines—a National Dairy or General Foods chain still would limit consumers' choice more drastically than A&P or Safeway now does. (A big super today carries 5,000 or more items.)

George Weston, Ltd., biscuit-baker-turned-holding-company, has gone heavily into retailing. It controls Loblaw Groceries Co., Ltd., second largest Canadian grocery chain (more than \$300-million sales). It also controls the Loblaw stores in northeastern U. S. (nearly \$300-million sales) and the National Tea chain (\$830 million).

National Tea has set its sights on becoming the largest grocery chain. But after a 44% gain in five years, it still ranks fifth—and even this growth, largely through acquisitions, has been enough to stir the Department of Justice.

The fact that, among the top ten grocery chains, National is the primary promoter of nationally advertised brands, pleases the advertisers no end. But some of them still point out: Even with D of J permission, "manufacturers' chains won't work: Weston biscuits are having a lot of trouble with the chains!"

Meanwhile, manufacturers must learn to live, and grow, with the chains. National advertising is a potent force . . . but only when retailers get actively into the act. As one leading grocery maker puts it: "We'll get more power from advertising when we learn to win more retailer co-operation."

Examples are cited: Since P&G started a trade relations department, two years ago, the retailers are not so anti-P&G. Such manufacturers as General Mills, Scott Paper and General Foods also have launched dealer relations programs—with top men in charge of them.

Part of the private-brand answer is: Whatever the size and strength of the advertising, national brands still have to be displayed and sold. ♦



How to get RETAIL TIE-INS by the millions

There is a powerful incentive for retailers to give their merchandising and advertising support to your product when you launch a strong advertising campaign that is built around **FIRST 3 MARKETS GROUP** in the rich Industrial North and East. First 3's magazines are a favorite medium of Retailers for their own regular advertising schedules.

Competition for dealer cooperation as well as for the consumer's

attention to an advertising message is understandably keenest in the three largest and most profitable markets of the area — New York, Chicago and Philadelphia. In these three far-above-average markets which account for 19% of total U. S. Effective Buying Income, the family coverage of General Magazines, Syndicated Sunday Supplements, Radio and TV thins out. As the dominant advertising medium in these three leading markets, there

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In addition, First 3's "Sunday Punch" circulation of over 5,600,000 reaches over half the families in 1,137 cities and towns, which produce one fourth of total U. S. Retail Sales.

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EXECUTIVE SHIFTS IN THE SALES WORLD

Allen Electric & Equipment Co., Kalamazoo, Mich.—Norman K. Anderson assumes new position of vice president in charge of marketing. He was formerly with Warner Electric Brake & Clutch Co.

American Home Foods, New York—L. J. Sauers named vice president for marketing and J. B. Shortlidge general sales manager.

Avery Adhesives Products, Inc., Fason Products Div., Painesville, Ohio—Robert C. Hamilton appointed to new position of market development manager.

Bendix Corp., New York—F. J. Borheck appointed director of aerospace marketing and B. D. Carter director of automotive marketing.

Cool-Ray Inc., Chelsea, Mass.—M. J. Dunn appointed sales vice president.

Corn Products Sales Co., Best Foods Div., New York—Joseph W. Durber joins as product manager. He was formerly with Colgate-Palmolive Co.

Evans Products Co., Plymouth, Mich.—Kenneth Rathke appointed national sales manager of wheel goods.

Fansteel Metallurgical Corp., North Chicago—James E. Borendame named to the newly created position of director of marketing and public relations. He was recently employed by Acme Steel Co. of Chicago.

Federal Pacific Electric Co., Cornell-Dubilier Electronics Div., South Plain-

field, N.J.—Raymond T. Leary appointed vice president of marketing.

Four Roses Distillers Co., New York—Joseph E. Flick promoted from central division manager to national sales manager in charge of Antique Bourbon.

B. F. Goodrich Chemical Co., Cleveland—George W. Flanagan named manager of defense sales and service.

Million Market Newspapers, Inc. New York—Robert A. Reiff elected first vice president and national sales manager.

Phillips Control Corp., Joliet, Ill.—Donald L. Schofield appointed general sales manager. Phillips is a subsidiary of Allied Paper Corp.

Stokely-Van Camp, Inc., Indianapolis, Ind. —Manning M. Exton named director of marketing for the Frozen Foods Division (Oakland, Cal.). He was formerly vice president of marketing, Seabrook Farms.

Renault, Inc., New York —Robert Brower promoted from service manager to sales manager for Eastern region.

United Carbon Products Co., Bay City, Mich. —W. E. Allsopp named director of sales.

Wm. Underwood Co., Watertown, Mass.—Thomas B. Mitchell promoted from Eastern Division sales manager to assistant to the vice president—marketing.

Hiram Walker Inc., Detroit, Mich.—Binford H. Sykes named central regional vice president in charge of sales.

KNOW THIS MARKET:

metropolitan
GARY-HAMMOND
E. Chicago, Indiana
44th MARKET
in the nation!
(U.S. CENSUS BUREAU RANKING)
2nd MARKET
in Indiana!

POPULATION:

556,600

E.B.I. 1959:

\$1,130,840,000.

E.B.I. PER HSEHOLD:

\$7,055

RETAIL SALES, 1959:

\$698,363,000.

FOOD SALES:

\$187,468,000.

GEN. MDSE:

\$94,519,000.

AUTOMOTIVE SALES

\$101,534,000.

Source: Sales Management

SELL THIS MARKET:

reach it...

SELL it
ONLY through
THE GARY
POST-TRIBUNE
THE HAMMOND
TIMES

Represented by
Burke, Kuipers & Mahoney, Inc.

Advertising Checking Bureau, Inc.	124
Agency: Harris & Wilson, Inc.	
Alton Beacon Journal	46
Agency: Charles A. Jessop & Company	
American Telephone & Telegraph Co. (Business Equipment)	140
Agency: N. W. Ayer & Son Inc.	
American Telephone & Telegraph Company (National Yellow Pages Service)	101
Agency: Cunningham & Walsh, Inc.	
American Viscose Corp.	116-117
Agency: Arndt, Preston, Chapin, Lamb & Keen, Inc.	
Arlington Aluminum Company	96
Agency: Brewer Associates	
Associated Business Publications	2
Agency: Van Brunt & Company	
Aviation Week	48-49
Agency: Gaynar & Ducas, Inc.	
Ballad, Inc.	158
Agency: Van der Broom, Hunt, McNaughton, Inc.	
South Michigan Newspapers	15, 59
Agency: The Fred M. Randall Company	
Brant Airways	148
Agency: Potts-Woodbury, Inc.	
CBS-Radio	22-23
Agency: Sudler & Hennessy, Inc.	
CBS-TV Spot Sales	76-77
Copper-Harmon-Stocum (Ohio Former)	146
Agency: Bart S. Giffins Advertising, Inc.	
Catholic Management Journal	29
Agency: Bernard J. Hahn & Associates	
Central Outdoor Advertising	132
Agency: Gilliam Advertising Agency	
Chicago Tribune	4th Cover
Agency: Foote, Cone & Belding	
Cincinnati Enquirer	112
Agency: Stockton-West-Burkhardt, Inc.	
J. L. Clark Mfg. Company	72
Agency: Howard H. Monk & Associates, Inc.	
Continental Can Company (Gair Division)	21
Agency: Batten, Barton, Durstine & Osborn, Inc.	
Copy Shop	158
Agency: Alan Goodman Advertising	
Crosley Broadcasting Corp.	40-61
Agency: The Ralph H. Jones Company	
Daily Trader	124
Dartnell Corp.	86
Agency: Torkel Gundel & Associates	
Deaver Chicago Trucking Company	71
Agency: Gullen E. Brydies, Inc.	
Des Moines Register & Tribune	131
Agency: J. M. Hickerson, Inc.	
Detroit News	104
Agency: W. B. Doner & Company	
Diamond-National Corp. (Gardner Division)	93-94
Agency: Kircher, Halton & Collett, Inc.	
Bickle-Raymond	156
Agency: Harold Cabot & Co., Inc.	
E. I. DuPont de Nemours, Inc. (Freem)	115
Agency: Batten, Barton, Durstine & Osborn, Inc.	
Eastern Air Lines	98
Agency: Fletcher Richards, Calkins & Holden, Inc.	
Eastman Kodak Company (Audio-Visual)	147
Agency: The Rumrill Company	
Emery Air Freight Corp.	16
Agency: J. M. Mathes, Inc.	
Samuel Eby & Company, Inc.	188
Agency: Ben B. Bliss Company, Inc.	
Farago Forum	46
Agency: Gardner & Stein	
Former Stockman	88
Agency: Lowe Runkle Company	
Fast Food	75
First 3 Markets Group	187
Agency: Carpenter-Proctor, Inc.	
Gary Post-Tribune	188
Agency: Torkel Gundel & Associates	
Good Housekeeping	78
Agency: Ellington & Company, Inc.	
Greensboro News-Record	91
Agency: Henry J. Kaufman & Associates	
Grit Publishing Company	45
Agency: Gray & Rogers Advertising	
Gulf Publishing Company	151
Agency: Robinson-Gerrard-McGarry Inc.	
Hammond Times	158
Agency: Torkel Gundel & Associates	
Hanover Neon Electric Corp.	14
Agency: The Warner P. Simpson Company	
Hardware Retailer	1
Agency: Fuller & Smith & Ross Inc.	
Hospitals, Journal of American Hospital Association	70
Agency: Bernard J. Hahn & Associates	
Houston Post	83
Agency: Gulf State Advertising Agency, Inc.	
Idaho State Dept. of Commerce & Development	58
Agency: Givens Davies Advertising Agency, Inc.	
Industrial Equipment News	7
Agency: Fahey Advertising Agency, Inc.	
International Paper Company	33
Agency: Ogilvy, Benson & Mather Inc.	

ADVERTISERS' INDEX

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ADVERTISING SALES

EXECUTIVE VICE PRESIDENT

Randy Brown

DIRECTOR OF SALES

PROMOTION

Philip L. Patterson

ADMINISTRATIVE ASSISTANT

Edward S. Hoffman

Asst. to Executive Vice-Pres.

Cecelia Santoro

ADV. SERVICE MANAGER

Madeleine Singleton

PRODUCTION MANAGER

Virginia New

DIVISION SALES MANAGERS

New York—W. E. Dunsby, Wm. McClenaghan, Elliot Hague, Robert B. Hicks, Dan Callanan, F. C. Kendall, Ormond Black, 630 Third Ave., New York 17, N. Y., YUkon 6-4800.

Chicago—C. E. Lovejoy, Jr., Associate Publisher and Western General Manager; W. J. Carmichael, Western Advertising Director; John W. Pearce, Western Sales Manager; Thomas S. Turner, Robert T. Coughlin, 333 N. Michigan Ave., Chicago 1, Ill., State 2-1266; Office Mgr., Margaret Schulte.

Pacific Coast—Warwick S. Carpenter, 15 East de la Guerra, Santa Barbara, Calif., WOodland 2-3612, Pacific Coast Manager; Northern California, Washington and Oregon, M. A. Kimball Co., 2550 Beverly Boulevard, Los Angeles 57, Cal., DUmkirk 8-6178; or 681 Market St., San Francisco 5, Cal., EXbrook 2-3365.

Krements & Company	126
Agency: Carpenter-Proctor, Inc.	
Ladies' Home Journal	2nd Cover
Agency: Batten, Barton, Durstine & Osborn, Inc.	
Lomorg Mailing Service Company	155
Agency: Tilden Advertising Associates	
Los Angeles Herald Express	142
Agency: Summit Advertising Company	
Los Angeles Times	153
Agency: Donahue & Coe, Inc.	
Lufthansa German Airlines	47
Agency: Charles W. Hoyt Company, Inc.	
McGraw-Hill Direct Mail	106
Agency: Fuller & Smith & Ross Inc.	
McGraw-Hill Publishing Company	127-128
Agency: Fuller & Smith & Ross, Inc.	
Joshua Meier Company	44
Agency: Preiss & Brown Advertising	
Millwaukee Journal	5
Agency: Klau-Van Pietersom-Dunlap, Inc.	
Maine Dispatch	108
Agency: Clem T. Hanson Company	

National Blank Book	67-68
Agency: Sutherland-Abbott Advertising	
Nation's Business	10
Agency: Van Brunt & Company	
Newsweek	149
Agency: Fletcher Richards, Calkins & Holden, Inc.	
New York News	97
Agency: L. E. McGiverna & Company	
New Yorker	19
Agency: Chirung & Cairns, Inc.	
North American Van Lines	137
Agency: The Biddle Company	
Orlando Sentinel-Star	30
Agency: Charles F. Fry Advertising Associates, Inc.	
Outdoor Advertising, Inc.	25
Agency: Marshalk & Pratt	
Packaging Corp. of America	28
Agency: Carr Liggett Advertising, Inc.	
Parade	34
Agency: Reach McClinton & Company, Inc.	
Perrygraf Corp.	110
Agency: Richard N. Meltzer	
Philadelphia Bulletin	6
Agency: N. W. Ayer & Son Inc.	
Philadelphia Inquirer	135
Agency: Al Paul Lefton Company	
Postnet Press	24
Agency: Larus Cleveland, Inc.	
Power Engineering	85
Agency: Ferson, Huff & Northlich, Inc.	
Practical Builder	54-55
Agency: Tobias, O'Neil & Gullay, Inc.	
Premium Service Company	9
Agency: S. E. Zubrow Company	
Production	111
Agency: MacManus, John & Adams, Inc.	
Purchasing	120-121
Agency: Gray & Rogers Advertising	
Railway Age	134
Agency: Geer, DuBois & Company, Inc.	
Railway Express	11
Agency: Benton & Bowles, Inc.	
Reader's Digest Association	20-21
Agency: J. Walter Thompson Company	
Reynolds Times-World	114
Agency: Hall & Company, Inc.	
Rock Island Argus	108
Agency: Clem T. Hanson Company	
Rockford Newspapers	4
Agency: Cummings, Brand, McPherson Associates, Inc.	
Sales Management	138-139
Sanborn Map Company	132
Saturday Evening Post	43
Agency: Batten, Barton, Durstine & Osborn, Inc.	
Seattle Times	63
Agency: Cole & Weber	
Seventeen	145
Agency: Al Paul Lefton Company	
W.R.C. Smith Publishing Company	81
Agency: Kirkland White & Schell	
South Bend Tribune	141
Agency: Lampart, Fox, Prell & Dalk, Inc.	
Spokesman Review & Spokane Daily Chronicle	102-103
Agency: Showace, Coons, Shotwell	
Sports Illustrated	3rd Cover
Agency: Young & Rubicam, Inc.	
State Farm Paper Group	86-87
Agency: Aubrey, Finlay, Marley & Hodgson Inc.	
Steel	24-27
Agency: Beaumont, Heller & Sperling	
Stein Brothers Mfg. Co. (Stobco)	3
Agency: Grossfeld & Staff	
Successful Farming	107
Agency: L. E. McGiverna & Company, Inc.	
Sweet's Catalog Service	125
Agency: Muller, Jordan & Herrick	
Syracuse Newspapers	82
Agency: Doug Johnson & Associates, Inc.	
TV-Guide	65
Agency: Gray & Rogers Advertising	
Taylor-Merchant Corp.	106
Agency: Ungar-Fruhling Advertising	
Together	74
Agency: Harry Sturges & Associates	
Troy Record Newspapers	64
U. S. News & World Report	53
Agency: MacManus, John & Adams, Inc.	
United Air Lines	122
Agency: N. W. Ayer & Son Inc.	
WFTV (Charlotte, N. C.)	50
Agency: Kincaid & Chandler Advertising	
WHO-TV (Des Moines)	8
Agency: Doe-Anderson Advertising Agency, Inc.	
WTVT (Tampa-St. Petersburg)	73
Agency: Grant Advertising, Inc.	
Weekend	109
Agency: Stevenson & Scott Ltd.	
Western Union Telegraph Company	99
Agency: Benton & Bowles, Inc.	
Wharton Van Lines, Inc.	108
Agency: Poorman, Butler & Associates	
Worcester Telegram & Gazette	84
Agency: C. Jerry Spaulding Inc.	
Young Catholic Messenger	136
Agency: Danis Advertising Inc.	
Young & Rubicam, Inc.	13

THE SCRATCH PAD



BY T. HARRY THOMPSON

As the campaign goes into the homestretch, I can't help wondering, with Sen. Mike Mansfield, why any man in his right mind would want such a thankless job as President, high honor or not.

Tightwads: The untouchables.

"Nick" sounds like an unfortunate name for a barber.

Glove compartment: A place where you stash everything but gloves.

Two things hard to get out: Fruit-stains and the vote.

For a makeshift screwdriver, there's nothing like a dime.

Nit: "Do you know your blood type?"

Wit: "Yeah; tired."

"Now we know what happened to the big-game hunter. Something he disagreed with ate him."—Grit.

Don Keyhoe's book, "Flying Saucers—Top Secret," proves a guy need not be "in his cups" to see saucers.

Meant to thank reader Hal Speckman, president of McCandlish Lithograph, for the handsome, king-size, midyear calendar.

Jackie Gleason says the ideal diet is expressed in four words: "No more, thank you."

"Smoking Increase at Record High."—Headline. Who's afraid of the big, bad bronchiogenic carcinoma?

Curtis Research, quoting "Design Sense," has new products entering the market at the rate of 26 a day, but failing at the rate of 23 a day. Research of all types is recommended to reduce this high incidence of product goofing.

Add similes: "As snoopy as an X-ray."

Going rate: The cost of leaving.

Can't believe a nearby realtor

named "Garbutt" would go for a for-sale sign reading: "See Garbutt."

"A fool and his money are saloon parted."—Smoky Stover.

Trivia Dept.: In this sensitive age, I wonder if that African bird minds being called a "bustard."

Bathroom scales: Expanse account.

If I have my Egyptology on straight, it was in the reign of Isosceles II that some copywriter came up

with "The Truth About Trusses" (or what-have-you). It's a lazy type of headline from the same bag of mothballs as "Saves time and money."

A local obit turned this one up. A man named "Fuller" called his place "Fuller's Earth."

It didn't win a prize in this safety-slogan contest for public-school children, but it would have had my vote: "Stay alive. Don't drive."

Icing-on-the-Cake Dept.: Keith Preston, coruscant columnist of the Chicago Daily News, left this witty legacy: "They wanted Sam Wing but they winged Sam Wong. A sad, but excusable, slip of the Tong." And again: "A Modernist married a Fundamentalist wife. She led him a catechism and dogma life." That, I aver, was columning.

Something Missing in Merchandising?

My private opinion of consumer contests is that they are for the feathered tribe. The advertiser stands to make ten friends and a million enemies. An insular and unsupported point of view, I'll admit.

Having said that, I still think I should be allowed to exercise my constitutional right to enter such contests on a sort of lottery basis.

The M.O., as Lieut. Friday used to say, is this:

The advertiser takes a color spread in the slicks to tell the world he is giving away a hundred grand in merchandise prizes and here's all you do.

I go to the most lavish super market in my neighborhood, on the premise that it will have the official entry blank, as well as the product whose box-top I need.

The store manager asks me: "Are they having a contest? No, we haven't any blanks. Come in next week." Which I do, but still no blanks. I use the printed one from the magazine ad and hope it will be official enough.

Maybe consumer contests are a nuisance to the retail trade, even if there is a homemade tack-board somewhere in the store where blanks may be torn off on a take-one basis.

Maybe agency procedure has changed since I went into free-lancing, but, in my time, we never thought of loosing a campaign on the consumer without first briefing the trade.

It's the same with new products. Consumers usually hear about them before dealers do. Is there something missing in merchandising?

T.H.T.



**The greatest
advertising response
in the history of a
\$9,000,000,000
company**

In 1959 The Equitable Life Assurance Society of the United States—America's third largest insurance company—used SPORTS ILLUSTRATED for a full scale exclusive campaign, with a schedule of 17 pages.

At the end of the year, Equitable added up the score and announced the result: **GRAND TOTAL —100,000 coupons.**

Said Equitable Vice-President Charles R. Corcoran:

"I seriously doubt whether any insurance company anywhere has ever seen such returns from any advertising. I know I haven't, and what's more important, neither have our agents. In addition to the impression we have made as a company concerned with physical fitness and sports, we've sold a substantial amount of life insurance through our SPORTS ILLUSTRATED advertising.

"Perhaps even more than that, with a force of 10,000 agents, we have a large stake in letting our men in the field know that our advertising is really helping them write insurance. Thanks to SPORTS ILLUSTRATED, they know that their company is really working with them, because they've seen the results."

Prospects—not coupon clippers. Individual agents who followed up the leads reported that the people who wrote in were a far cry from the inveterate coupon clippers who often inflate the returns from an advertisement. The SPORTS ILLUSTRATED respondents turned out to be excellent prospects for insurance. Their median age was 37; their median income \$10,500.

As every sales manager knows, these same characteristics make excellent prospects for just about every kind of quality product.

The people you advertise to in SPORTS ILLUSTRATED are young, well-educated, successful—the kind of people who are gifted enough to make a good living five days a week and sensible enough to enjoy it on the other two.

**SPORTS
ILLUSTRATED**

L. L. Callaway Jr., Advertising Director, SPORTS ILLUSTRATED, Time and Life Building, Rockefeller Center, New York 20.

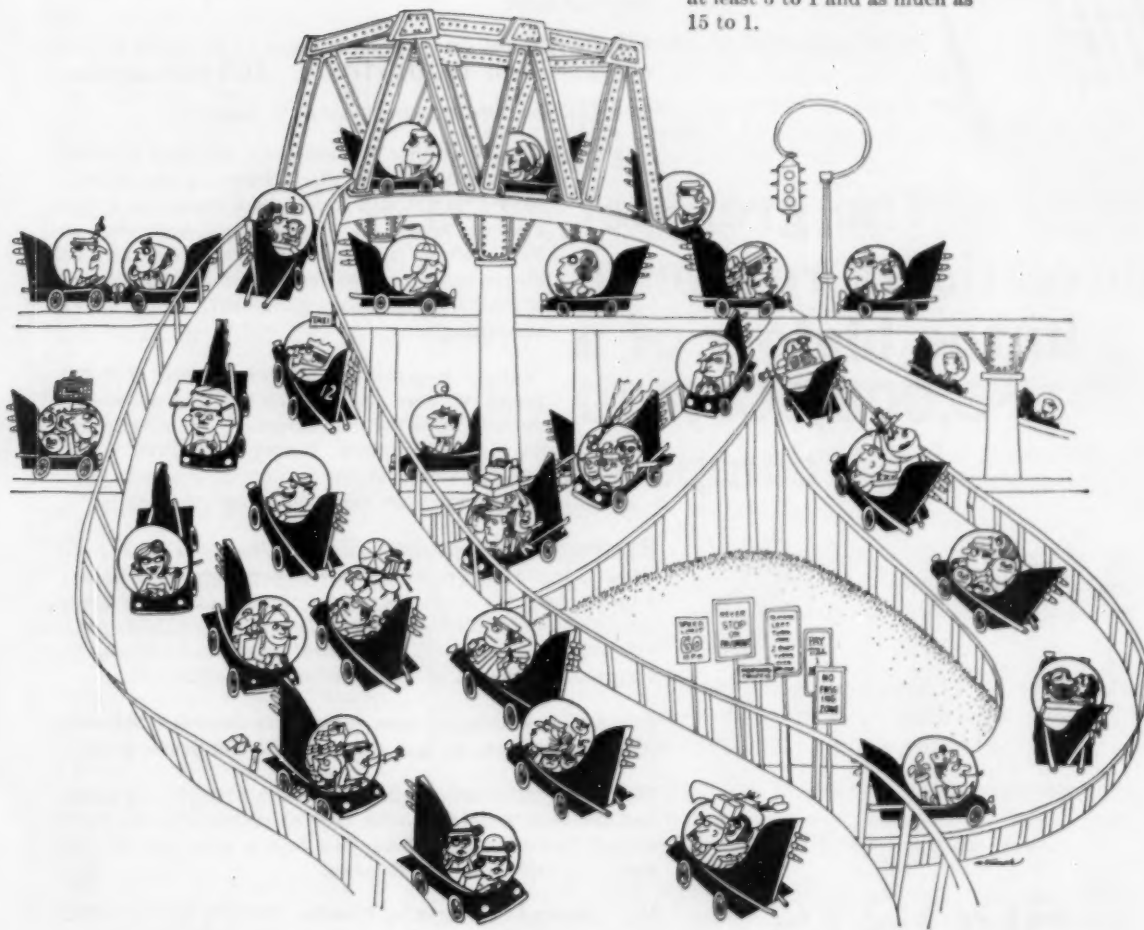
Media's Law:

To a seller of automobiles, the pulling power of an advertising medium is equal to the number of automobiles sold.

To media men, pulling power is influenced by several inter-related factors. The law or formula looks like this:

$$\begin{array}{c} \text{Pulling Power} \\ = \\ \text{Circulation Volume} \\ \times \\ \text{Editorial Vitality} \\ \times \\ \text{Reader Confidence} \end{array}$$

The Chicago Tribune, with a circulation $1\frac{1}{2}$ times that of any other Chicago newspaper, out-pulls the other papers by at least 3 to 1 and as much as 15 to 1.



Chicago Tribune

